

Chris Christie, Governor
Kim Guadagno, Lieutenant Governor
Richard T. Hammer, Acting Commissioner
Dennis J. Martin, Interim Executive Director

NJTRANSIT
One Penn Plaza East
Newark, NJ 07105-2246
973-491-7000

May 13, 2016

Dear Governor Christie:

Pursuant to Chapter 150, Laws of 1979, I herein transmit the minutes of actions taken at the open session of the regularly scheduled meetings of the New Jersey Transit Corporation, NJ Transit Rail Operations, Inc., NJ Transit Bus Operations, Inc., NJ Transit Mercer, Inc., and NJ Transit Morris, Inc., Board of Directors held on Wednesday, May 11, 2016.

Sincerely,

Original Signed By

Joyce J. Zuczek
Board Secretary

Enclosures

Honorable Chris Christie
Governor, State of New Jersey
State House
Trenton, NJ 08625

Minutes of the actions taken at the Open Session of the regularly scheduled Board of Directors' meetings of the New Jersey Transit Corporation, NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Mercer, Inc., and NJ TRANSIT Morris, Inc. held at NJ TRANSIT Headquarters, One Penn Plaza East, Newark, New Jersey on Wednesday, May 11, 2016.

Present

Richard T. Hammer, Acting Chairman
Bruce M. Meisel, Vice Chairman
John Spinello, Governor's Representative
Steven M. Petrecca, Treasurer's Representative
James C. Finkle, Jr., Board Member
Raymond W. Greaves, Board Member (Non-Voting)

Absent

Flora M. Castillo, Board Member

Also Present

Dennis J. Martin, Interim Executive Director
Michael P. Kilcoyne, Acting Vice President/General Manager, Bus Operations
Robert M. Lavell, Vice President/General Manager, Rail Operations
John F. Squitieri, Chief, Light Rail and Contract Services
Christopher Trucillo, Chief of Police
Frank Savino, Acting Auditor General
Lisa A. Gatchell, Senior Director, Risk Management & Claims Administration
Michael K. Slack, Chief Information Officer
Penelope L. Bassett, Assistant Executive Director, Communications & Customer Service
Steve H. Santoro, Assistant Executive Director, Capital Planning & Programs
Alma Scott-Buczak, Assistant Executive Director, Succession Planning & Workforce Dev.
Gardner C. Tabon, Chief, Office of System Safety
Michael Gonnella, Deputy Attorney General
Joyce J. Zuczek, Acting Board Secretary

Acting Chairman Hammer convened the Open Session at 6:06 p.m. in accordance with the Open Public Meetings Act. Elmira Yasin, Office of System Safety, provided a Public Safety Announcement. The Pledge of Allegiance to the Flag was conducted. Acting Board Secretary Zuczek conducted a Roll Call and noted Vice Chairman Meisel would be joining the meeting shortly.

Acting Board Secretary Zuczek announced that adequate notice of the regularly scheduled meetings of the New Jersey Transit Corporation, NJ TRANSIT Rail Operations Inc., NJ TRANSIT Bus Operations, Inc. NJ TRANSIT Mercer, Inc. and NJ TRANSIT Morris, Inc. was provided in accordance with the Open Public Meetings Act, Chapter 231, P.L. 1975, and

the meetings were occurring concurrently. Notices were mailed to newspapers of general distribution, forwarded to the Secretary of State, Trenton, New Jersey, and sent to each individual, agency and organization that requested such notice. In addition, notices of the meetings were posted in the main lobby of NJ TRANSIT's Headquarters in Newark, New Jersey. Acting Board Secretary Zuczek announced that the Board Meeting was being video recorded

Acting Chairman Hammer asked for a motion to adopt the minutes of the April 6, 2016 and April 12, 2016 Board meetings. A motion was made by Board Member James C. Finkle, Jr., seconded by Board Member Steven M. Petrecca and unanimously adopted.

Public Comments on Agenda Items and Other Matters

There were 9 public comments. Acting Board Secretary Zuczek announced the public comments would be limited to five minutes in order to give everyone an opportunity to be heard.

William Dailey discussed the challenges of using public transportation for Senior Citizens and people who are disabled. He loves the service, has had great interactions with employees who have been very considerate, and is not a complainer but wanted to bring the issues to the Board's attention. Mr. Dailey noted he prefers using Hamilton Station, which is much more accessible, than Princeton Junction Station, which he said was archaic, challenging to use, and has icy ramps in the winter. He noted at Secaucus and Newark Penn Stations the disabled exit is at the furthest end of the station. Mr. Dailey discussed and demonstrated the challenges of entering and exiting the train, and maneuvering the doors and elevators in a wheelchair.

Vice Chairman Meisel joined the meeting at this point.

Mr. Dailey asked that the committees for the disabled program address the problems at stations with large disabled populations. He encouraged NJ TRANSIT to invest in projects to make the stations that need it, more accessible.

Orrin Getz expressed support for item 1605-24, for the NJ TRANSITGRID, and 1605-28, for ASES Positive Train Control. He noted the ongoing problem for NJ TRANSIT is the need for a dedicated source of funding. Mr. Getz suggested a petroleum surcharge and utility surcharge to keep the Transportation Trust Fund from becoming insolvent. He noted in New York, few know it exists and suggested it may be a painless way to obtain dedicated funding. Mr. Getz reiterated his interest in sidings on the Pascack Valley Line to improve service.

Mr. Getz suggested some of the Board Members might not ride NJ TRANSIT so they may not know what it is like to experience large gaps in service, or what needs to be done.

Tim Sevener discussed how green public transit provided by NJ TRANSIT faces major funding problems, even as ridership rises and more transit oriented housing is being built. He said the auto addiction is now responsible for 47 percent of New Jersey's climate emissions

imperiling the planet. Mr. Sevener said NJ TRANSIT's budget has been axed 90 percent from \$300 million to \$34 million. He believes it is way past time to raise the New Jersey Gasoline Tax.

Mr. Sevener expressed outrage that they cannot afford to fund green transit trains and buses, but New Jersey has spent over \$2 billion on the Urban Hub Tax Credit corporate boondoggle. He believes private corporations are reaping financial benefits, paid by New Jersey Taxpayers, for locating next to public transit while train and bus services are cut.

Mr. Sevener believes businesses benefit from frequent reliable transit by raising their property values, accessibility, and ability to recruit employees, especially Millennials. He believes the Urban Hub Tax Credit program is a corporate giveaway that does not create any new jobs or bring business to New Jersey. Mr. Sevener believes the corporations are getting money for moving from an already potentially transit accessible location to another within New Jersey. He said Prudential received \$210 million to move from Newark to Newark, Panasonic received \$102 million to move from Secaucus to Newark, and New York Life received \$34 million to move a short distance from Denville and Mountain Lakes train stations to Jersey City.

Mr. Sevener believes the Urban Hub Tax Credit is another case of blatant favoring of Wall Street over Main Street which is leading to citizen uprisings all over America in the 2016 election. He knows the issue goes beyond the Board's authority but expressed his feelings and asked for it to end. Mr. Sevener also expressed his appreciation for the evening Board meeting at 6:00 p.m. so he could get there.

R. Donald Winship said he is the Communications Director for the Lackawanna Coalition. He noted he attended a conference for rail users in Boston and Massachusetts Bay Transportation Authority's (MBTA) commuter rail General Manager, Gerald Francis, was a speaker. Mr. Winship said he does not advocate private operation of NJ TRANSIT, but he believes there are a couple things they do that should be brought to NJ TRANSIT.

Mr. Winship said when there is a disruption for planned maintenance, in addition to communicating about how long the disruption will be and what alternative service is available, they state why the work was needed and what benefits the riders will get from the work. He said in addition to periodic customer surveys, they survey immediately after a service disruption to see what went well and what did not.

Mr. Winship complained that the evening meetings were walked back from two the first year to one per year and that 6:00 p.m. is still an inconvenient start time for him. He requested more evening meetings and to have them start later.

Stephen Burkert introduced himself as the General Chairman for SMART TD, the union that represents conductors and crews. He expressed concern about the safety of employees and customers because two of their members, who are knowledgeable instructors, would be removed in two days due to budgetary issues.

Mr. Burkert believes training is directly related to preventing accidents and lives lost. He believes trainers should have experience working in the job. Mr. Burkert cited a number of rail accidents around the world that resulted in lost lives and injuries due to human error.

Mr. Burkert believes it is irresponsible to put safety second to budgetary issues. He believes the cost of safety training is negligible when considering the lives saved.

David Peter Alan spoke on behalf of the Lackawanna Coalition. Mr. Alan said when the predecessor train to Train #684 was eliminated last September, they campaigned for it to be restored and it was restored in part eight weeks later, but with no stops between Summit and Newark. He said the last inbound weeknight train from Dover, which leaves at 11:30, requires a half hour wait at Summit for the connecting train to all other Essex County stops. Mr. Alan noted that starting Monday night, that train will stop at Millburn, Maplewood, South Orange, Orange and Brick Church, benefiting riders going from Morris County to Essex County late in the evening.

Mr. Alan expressed concern about the renewed threat of a rail strike affecting riders. He questioned why William Crosbie's resolution omitted his pay and why there was a special meeting six days before the regular meeting. Mr. Alan expressed confusion about two hearings scheduled for the following week, about the Hudson Tunnels not being called Gateway and about the location of the Union City High School hearing being far from any train station.

Mr. Alan believes NJ TRANSIT is in deep trouble and reform is drastically needed because they are again threatened with loss of their trains, fares are the highest in the nation for many trips, there is no discount for off-peak commuting, and services are not reliable. He said too many managers are leaving and valuable transit experience appears to become less important to the decision-makers who decide how much mobility to give riders. Mr. Alan believes things are getting worse at NJ TRANSIT, not better.

Ben Schumer said he attended a rail conference in Boston and one speaker was the General Manager of Keolis Commuter Services, the private company that operates and maintains the MBTA commuter rail system. He said Keolis operates with the philosophy of "thinking like a passenger." Mr. Schumer said conductors are given phones to make sure they receive service alerts and the executive team is deployed as service disruption managers. He said there are permanently assigned customer service representatives at all stations and MBTA makes sure to inform riders when there is a maintenance driven slowdown. Mr. Schumer said they ask riders for input through surveys after a service disruption. He requested NJ TRANSIT consider implementing these policies to improve communication and the relationship with riders.

Joe Clift wants a Regional Citizen Liaison Committee set up for Gateway, similar to what was used for ARC and Portal Bridge, with monthly and then eventually quarterly meetings. He questioned why the two hearings the following week weren't referenced as Gateway and the New Jersey location not being accessible. Mr. Clift said he could not find any information

about it on NJ TRANSIT's website and complained that there were no seat drops, press releases, or web alerts.

Mr. Clift said the NJ TRANSITGRID was almost \$200 million from the Transportation Trust Fund and there was no mention of cost savings. He questioned Crosbie's resolution being so different than past ones with no compensation or terms of employment so they were not able to ask any questions. Mr. Clift said there are 19 months left in Christie's term and he does not believe NJ TRANSIT will find a transportation professional to fill the job so he suggested giving Dennis Martin the job so he can take action instead of being a caretaker. Mr. Clift expressed concern about not progressing with so much to do.

Sally Gellert objected to the audio recordings in the light rail vehicles. She believes it violates constitutional rights in a way video does not. Ms. Gellert complained that they have no knowledge about how long and how the audio recordings are kept. She takes the Pascack Valley Line train to Trenton for morning meetings and finds the train schedules are not helpful and complained about the weekend gaps in service at Secaucus. Ms. Gellert finds it infuriating that NJ TRANSIT is not interested in adding the passing sidings. She is interested in the Micro Grid, particularly the solar power, and asked whether the infrastructure was in place.

Ms. Gellert does not support the gas tax until they decouple the state tax and specifically dedicate the funds to mass transit. She wants the off-peak fare restored as incentive for more customers and an environmental incentive. Ms. Gellert believes communication with riders was very good after Sandy and likes the quarterly survey. She noted when she was in Washington D.C. a year ago, they passed out brochures about proposed service changes, had field personnel at stations, and asked commuters for comments. Ms. Gellert praised that type of outreach. She believes NJ TRANSIT's customer service and rail and bus personnel are very helpful and courteous and the website is okay.

Advisory Committee Report

Ron Monaco, Vice Chairman of the North Jersey Transit Advisory Committee, said they met on May 5, 2016 and they received a number of presentations. The Acting CFO provided a presentation about the current and next year budget, noting there would be no fare increase and additional funds were requested from the State. Steve Santoro and a new employee answered their grants and capital funding questions, explained that no stone would be unturned, and they conduct post mortems for unsuccessful applications to learn for the future. Mr. Monaco expressed support of how customer service consolidates data from the public received via fax, email, letter, phone call, or etc. to provide more efficient analysis.

Mr. Monaco said members expressed concern about two matters. These included the two unions rejecting the labor agreement and the Transportation Trust Fund lack of funding. They want the Board to have staff come up with a list of what can or cannot be done, including matching funds, if the Transportation Trust Fund is not renewed. The South Jersey Transit Advisory Committee is meeting on May 20, 2016.

Board Customer Service Committee Report

Board Member James C. Finkle, Jr. presented the report for the Customer Service Committee. The Customer Service Committee received a Customer Service update and a report on the Social Media Dashboard. The Committee also received a report on the Customer Satisfaction Survey Results for the Third Quarter of Fiscal Year 2016.

Board Administration Committee Report

Board Member James C. Finkle, Jr. presented the report for the Administration Committee. The Administration Committee received a Financial Update, which included an analysis of ridership trends.

Board Capital Planning, Policy, and Privatization Committee Report

In response to the public comments, Vice Chairman Meisel noted NJ TRANSIT occupies a unique and extremely important position in regards to the economic vitality of New Jersey. He said NJ TRANSIT is very important to the state economy, as well as the people who live and work in New Jersey. Vice Chairman Meisel said automobiles, trains, and buses are all part of one viable transportation system. Without any one of these vital links, he said the State would not survive. Vice Chairman Meisel looks at NJ TRANSIT's role in the state when he participates in Board meetings and committee meetings. He noted of course things need to get done and they need good leadership and staff mentoring successors.

Vice Chairman Meisel said he arrived late because he just returned from Washington D.C. which is an example of what happens when a system craters. He said it was a model system 10 to 15 years ago and now people would rather take Uber than the Metro because they can't rely on it. Vice Chairman Meisel understands the benefits of trains to the economy and the environment, as well as the roads for places can't be reached by public transportation, and said they are all part of one transportation system that must work.

Vice Chairman Meisel said ARC was flawed from the beginning and was cancelled but Gateway is the real deal and can't be mentioned too much. He encouraged all officials to focus on it and expressed concern about not having a tunnel since the existing tunnels are 106 years old and the aging was accelerated by Sandy. Vice Chairman Meisel understands the leadership situation and it has his attention.

Vice Chairman Bruce M. Meisel presented the report for the Capital Planning, Policy and Privatization Committee. The Capital Planning, Policy and Privatization Committee discussed the NJ TRANSITGRID Conceptual and Preliminary Design Services Contract item, ALP45 (Dual Power) Locomotive Manufacturer's Required Maintenance Cycle item, Rutherford Station Plaza Improvements Construction Contract item, and the Borough of Hillsdale Railroad Lease Agreement item.

Executive Director's Monthly Report

Interim Executive Director Martin said, exactly two months ago, they struck a tentative agreement with the coalition of unions representing NJ TRANSIT's railroad workers. The announcement came just days before a potential strike and the news was a sigh of relief for hundreds of thousands of residents across the state who would have their lives disrupted. Since that time, 13 of the unions have upheld their commitment to the many hours of discussions and compromises made at that bargaining table. Because of that commitment, those ratified agreements are currently in place. Interim Executive Director Martin thanked them on behalf of NJ TRANSIT's customers.

Interim Executive Director Martin noted the membership of two unions, representing locomotive engineers and train conductors, failed to ratify that agreement by narrow margins, and that was a disappointing development. They are re-entering talks with those two unions, and will meet with both separately to hear what they have to say. In the meantime, they are in the midst of a 60-day cooling off period with each union, a time frame designed to allow these discussions to occur. As in all previous negotiations, they remain committed to finding a solution that benefits NJ TRANSIT's customers, employees and the taxpayers of New Jersey.

Interim Executive Director Martin emphasized everyone at NJ TRANSIT remains focused on their core mission of providing safe and reliable transportation for their customers and that will continue throughout this period. He also stressed that the agency's primary focus remains on its customers, where it should be and they will always keep the customers first in everything they do.

While rail negotiations are taking place, they are also crafting a budget for Fiscal Year 2017. The day after last month's Board meeting, Acting Chairman Hammer and Interim Executive Director Martin appeared before legislators in Trenton as part of the ongoing budget reconciliation process. They anticipate additional receipts and reimbursements through the remainder of the fiscal year to mitigate any potential budget gap and further identify cost efficiencies. They will continue to work with legislators and the Department of Treasury to maintain a sufficient level of funding to continue providing vital transportation services.

Recently, they had the opportunity to showcase, to state Senate President Steve Sweeney and Senator Paul Sarlo, some of the vital work that takes place every day in order to keep the system running when they toured the rail Meadows Maintenance Complex, what they know simply as the MMC. The legislators were able to talk with some of the employees who maintain NJ TRANSIT's rail fleet and get an up-close look at just how unique and highly specialized this type of work is. They were proud to showcase the hard working men and women who keep one of the nation's busiest railroads moving, and to reinforce just how critical this maintenance work is.

They have a busy weekend ahead with two important customer enhancements. On Saturday, NJ TRANSIT will be resuming the seasonal service to Monmouth Park Racetrack. Beginning on May 14, 2016, and running through September 25, 2016, North Jersey Coast

Line trains will stop at Monmouth Park on weekends and holidays when the track is open for live racing. Friday rail service begins on June 3, 2016 and continues through September 2, 2016. Customers, again this year, will be able to save \$5.50 when they purchase a Monmouth Park package, which includes round trip train tickets, Grandstand Admission and an official track program.

Last year, racing fans at Monmouth Park were able to witness one of the greatest horses to ever step onto the track when Triple Crown winner American Pharoah won the Haskell Invitational. The massive crowd gave NJ TRANSIT a chance to showcase its convenient rail service to the park, with customers leaving their cars at home and avoiding the parking lots and traffic. With that, they are looking forward to another exciting and successful season of horse racing.

On Sunday, May 15, 2016, the Wesmont Station on the Bergen County Line will officially go into service, making it the 166th rail station in the system. This facility has been a result of a public-private partnership with Somerset Development, and Interim Executive Director Martin thanked everyone involved for their hard work and making sure this station moved from an idea to reality. He applauded the efforts of the Capital Planning and Programs Department, under the direction of Steve Santoro, as well as project manager Rob Edwards, for keeping this effort moving forward throughout the years.

The new state-of-the-art station features a center-island platform with a pedestrian overpass, elevator access and ticket vending machines. Residents of the nearby development will now be within walking distance of the train with access to New York, Hoboken and Newark. The new Wesmont Station truly is an example of the possibilities that transit-oriented developments bring along with the opportunity of public-private partnerships. Residents in Wood-Ridge have been waiting for this station, and Interim Executive Director Martin thanked them for their patience. NJ TRANSIT wanted to make sure they got it right.

While the trains will be rolling in on Sunday, Interim Executive Director Martin clearly recognizes the fact that there is still more work to do there. A permanent commuter parking lot is under construction at the site. They remain fully committed to seeing that project come to completion in short order.

Now that the warmer weather is here, the sweet sounds of some of the musical performers are beginning to fill the air for NJ TRANSIT's Music in Motion program. On select dates throughout the spring and summer, they will have live musical acts entertaining customers passing through stations, including Hoboken and Secaucus to name just a few. It is an added amenity for customers amidst the hustle and bustle of their commute and NJ TRANSIT has received high praise from those who take a few moments to enjoy what the performers have to offer. And if customers look closely, they may even recognize some of NJ TRANSIT's train conductors showcasing their other talents.

Interim Executive Director Martin thanked Acting Chairman Hammer and the Board for trusting him with another month handling the Board meetings.

Action Items

1605-24: NJ TRANSIT RESILIENCE PROGRAM – NJ TRANSITGRID DISTRIBUTED GENERATION PROJECT: CONSULTANT CONTRACT AWARD FOR CONCEPTUAL AND PRELIMINARY DESIGN SERVICES

Interim Executive Director Martin introduced Steve Santoro, Assistant Executive Director, Capital Planning & Programs, who presented Action Item #1605-24 for approval.

Steve Santoro recommended approval of Item #1605-24, NJ TRANSIT Resilience Program – NJ TRANSITGRID Distributed Generation Project: Consultant Contract Award for Conceptual and Preliminary Design Services. Approval was requested to enter into a contract with AECOM of Piscataway, New Jersey, to provide Phase I – Conceptual and Preliminary Design consultant services for the NJ TRANSITGRID Distributed Generation Project at a cost not to exceed \$3,556,416, plus five percent for contingencies, subject to the availability of funds.

Board Member James C. Finkle, Jr. moved the resolution, Board Member Steven M. Petrecca seconded it, and it was unanimously adopted.

Roll Call Vote:

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| Hammer | Meisel | Spinello | Petrecca | Castillo | Finkle | Greaves |
| Yes | Yes | Yes | Yes | Absent | Yes | Non-Voting Member |

1605-25: ALP45DP (DUAL POWER) LOCOMOTIVE MANUFACTURER’S REQUIRED MAINTENANCE CYCLE

Interim Executive Director Martin introduced Robert Lavell, Vice President & General Manager, Rail Operations, who presented Action Item #1605-25 for approval.

Robert Lavell recommended approval of Item #1605-25, ALP45DP (Dual Power) Locomotive Manufacturer’s Required Maintenance Cycle. Mr. Lavell said these Dual Powered Locomotives were the first of NJ TRANSIT’s fleet that were designed in accordance with US EPA emissions regulations which went into effect in January 2012. Meeting these emissions standards requires a more rigorous maintenance regimen than prior emissions regulations. Approval was requested to enter into a sole source contract with Foley-Caterpillar, Inc. of Piscataway, New Jersey to provide materials and services for the manufacturer’s required maintenance cycle on 70 Caterpillar engines (2 per locomotive) in an amount not to exceed \$8,305,758, plus five percent for contingencies, subject to the availability of funds.

Board Member John Spinello moved the resolution and Vice Chairman Bruce M. Meisel seconded it. Board Member Greaves asked whether the work would be performed by current employees and Mr. Lavell confirmed it would be done by employees at the MMC. The resolution was unanimously adopted, except for Board Member James C. Finkle, Jr. who recused himself.

Roll Call Vote:

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| Hammer | Meisel | Spinello | Petrecca | Castillo | Finkle | Greaves |
| Yes | Yes | Yes | Yes | Absent | Recused | Non-Voting Member |

1605-26: RUTHERFORD STATION PLAZA IMPROVEMENTS CONSTRUCTION CONTRACT AWARD

Interim Executive Director Martin introduced Robert Lavell, Vice President & General Manager, Rail Operations, who presented Action Item #1605-26 for approval.

Robert Lavell recommended approval of Item #1605-26, Rutherford Station Plaza Improvements Construction Contract Award. Approval was requested to enter into a contract with Sparwick Contracting, Inc., of Lafayette, New Jersey, to provide construction services for the NJ TRANSIT Rutherford Station Plaza Improvements Project at a cost not to exceed \$997,668, plus five percent for contingencies, subject to the availability of funds.

Board Member James C. Finkle, Jr. moved the resolution, Board Member Steven M. Petrecca seconded it, and it was unanimously adopted.

Roll Call Vote:

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| Hammer | Meisel | Spinello | Petrecca | Castillo | Finkle | Greaves |
| Yes | Yes | Yes | Yes | Absent | Yes | Non-Voting Member |

1605-27: BOROUGH OF HILLSDALE RAILROAD LEASE AGREEMENT EXTENSION

Interim Executive Director Martin introduced Lisa A. Gatchell, Senior Director, Finance Department, who presented Action Item #1605-27 for approval.

Lisa Gatchell recommended approval of Item #1605-27, Borough of Hillsdale Railroad Lease Agreement Extension. Approval was requested to take any and all actions necessary to negotiate and execute an extension of the Railroad Station Lease and Operating Agreement with the Borough of Hillsdale for an additional 20-year period to allow the Borough to continue to use, operate, maintain, repair, and improve the Hillsdale Railroad Station.

Board Member James C. Finkle, Jr. moved the resolution and Board Member John Spinello seconded it. Vice Chairman Meisel noted he passes Hillsdale daily and expressed his support for the town maintaining and improving this important older station, thereby providing NJ TRANSIT with important cost savings. The resolution was unanimously adopted.

Roll Call Vote:

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|--------|--------|----------|----------|----------|--------|-------------------|
| Hammer | Meisel | Spinello | Petrecca | Castillo | Finkle | Greaves |
| Yes | Yes | Yes | Yes | Absent | Yes | Non-Voting Member |

Executive Session Authorization

At approximately 7:15 p.m., Acting Chairman Hammer requested a motion to enter Executive Session to discuss the employment or appointment of specific prospective and current public officer(s) or employee(s), contract and collective bargaining negotiations, the status of pending and anticipated litigation and matters falling within the attorney-client privilege, including, but not limited to, the Personal Injury Claim of David Lombardi.

Vice Chairman Bruce M. Meisel moved the resolution, Board Member James C. Finkle, Jr. seconded it, and it was unanimously adopted.

Acting Board Secretary Zuczek conducted a Roll Call as Board Members returned to Open Session. All Board Members returned to open session at approximately 7:48 p.m.

Acting Chairman Hammer noted staff was distributing additional board items that had been added to the agenda.

1605-28: **ADVANCED SPEED ENFORCEMENT SYSTEM II – POSITIVE TRAIN CONTROL: CONTRACT AMENDMENT FOR ENGINEERING SUPPORT SERVICES AND CONTRACT AMENDMENT FOR IMPLEMENTATION**

Interim Executive Director Martin introduced Steve Santoro, Assistant Executive Director, Capital Planning & Programs, who presented Action Item #1605-28 for approval.

Steve Santoro recommended approval of Item #1605-28, Advanced Speed Enforcement System II – Positive Train Control: Contract Amendment for Engineering Support Services and Contract Amendment for Implementation. Approval was requested to amend a contract with HNTB of New York, New York, for expanded technical support services for Phases II and III – PTC Prototype and Demonstration and to expand support for Phases IV and V – PTC Implementation and Closeout, at a cost not to exceed \$19,000,000 plus five percent for contingencies, for a total not to exceed authorization of \$27,982,500, subject to the availability of funds.

Approval was also requested to amend a contract with Parsons Transportation Group of New York, New York, for Phases I, II and III of the ASES II PTC Program at a cost not to exceed the amount discussed in Executive Session, subject to the availability of funds.

Vice Chairman Bruce M. Meisel moved the resolution and Board Member James C. Finkle, Jr. seconded it. Vice Chairman Meisel noted this was an unfunded federal mandate and a necessary first step. The resolution was unanimously adopted.

Roll Call Vote:

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|--------|--------|----------|----------|----------|--------|-------------------|
| Hammer | Meisel | Spinello | Petrecca | Castillo | Finkle | Greaves |
| Yes | Yes | Yes | Yes | Absent | Yes | Non-Voting Member |

1605-29: PERSONAL INJURY CLAIM OF DAVID LOMBARDI

Interim Executive Director Martin introduced Lisa A. Gatchell, Senior Director, Finance Department, who presented Action Item #1605-29 for approval.

Lisa Gatchell recommended approval of Item #1605-29, Personal Injury Claim of David Lombardi. Approval was requested to settle the claim of David Lombardi through his attorney, at an amount discussed in Executive Session. The Attorney General has approved the proposed settlement, subject to the availability of funds.

Board Member James C. Finkle, Jr. moved the resolution, Board Member Steven M. Petrecca seconded it, and it was unanimously adopted.

Roll Call Vote:

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|--------|--------|----------|----------|----------|--------|-------------------|
| Hammer | Meisel | Spinello | Petrecca | Castillo | Finkle | Greaves |
| Yes | Yes | Yes | Yes | Absent | Yes | Non-Voting Member |

1605-30: APPOINTMENT OF DEPUTY EXECUTIVE DIRECTOR

Interim Executive Director Martin recommended approval of Item #1605-30, Appointment of Deputy Executive Director. Approval was requested to appoint Amy Herbold as Deputy Executive Director in accordance with the NJ TRANSIT By-Laws, Article IV, Section 8.

Board Member John Spinello moved the resolution, Acting Chairman Richard T. Hammer seconded it, and it was unanimously adopted.

Roll Call Vote:

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|--------|--------|----------|----------|----------|--------|-------------------|
| Hammer | Meisel | Spinello | Petrecca | Castillo | Finkle | Greaves |
| Yes | Yes | Yes | Yes | Absent | Yes | Non-Voting Member |

1605-31: APPOINTMENT OF CHIEF FINANCIAL OFFICER AND TREASURER

Interim Executive Director Martin recommended approval of Item #1605-31, Appointment of Chief Financial Officer and Treasurer. Approval was requested to appoint Michael J. Lihvarcik as Chief Financial Officer and Treasurer of NJ TRANSIT and its subsidiaries and to

perform the functions of the Office of the Treasurer in accordance with the NJ TRANSIT By-Laws, Article IV, Section 5.

Board Member Steven M. Petrecca moved the resolution, Board Member John Spinello seconded it, and it was unanimously adopted.

Roll Call Vote:

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|--------|--------|----------|----------|----------|--------|-------------------|
| Hammer | Meisel | Spinello | Petrecca | Castillo | Finkle | Greaves |
| Yes | Yes | Yes | Yes | Absent | Yes | Non-Voting Member |

1605-32: APPOINTMENT OF BOARD SECRETARY

Interim Executive Director Martin recommended approval of Item #1605-32, Appointment of Board Secretary. Approval was requested to appoint Joyce J. Zuczek as Board Secretary of NJ TRANSIT and its subsidiaries in accordance with the NJ TRANSIT By Laws, Article III, Section 2.

Vice Chairman Bruce M. Meisel moved the resolution, Acting Chairman Richard T. Hammer seconded it, and it was unanimously adopted.

Roll Call Vote:

| | | | | | | |
|--------|--------|----------|----------|----------|--------|-------------------|
| Hammer | Meisel | Spinello | Petrecca | Castillo | Finkle | Greaves |
| Yes | Yes | Yes | Yes | Absent | Yes | Non-Voting Member |

Acting Chairman Hammer took a moment to acknowledge the senior management team, the 11,000 plus employees and NJ TRANSIT’s customers. He noted, on that day, all 165 stations and 12 commuter rail lines were open and operational for NJ TRANSIT’s customers. More than 900,000 passenger trips were made across NJ TRANSIT’s entire system: Bus, Rail, Light Rail and Access Link, and in 2016, the average on-time performance rate was on or close to 94 percent.

More than 90,000 customers boarded an NJ TRANSIT train at New York Penn Station. Bus service was provided to 384 municipalities around the state of New Jersey. Three light rail lines made more than 1,000 trips. More than 4,500 people with disabilities were scheduled with Access Link service. NJ TRANSIT’s Police Department reported for duty and remained ready to serve and protect NJ TRANSIT’s employees and customers. NJ TRANSIT’s Customer Service Department handled approximately 3,000 calls.

Acting Chairman Hammer said his point was that the core focus of this agency – their customers – has not wavered for a single minute of a single day. This vast transportation network has not ceased to deliver transportation service, absent severe weather, across multiple modes in the last five months. Nor will it. He said he was proud of NJ TRANSIT’s

ability to manage customers' needs to travel this state and beyond and to ensure their safety. Acting Chairman Hammer said the work of the people was getting done. And it was getting done well.

In the normal course of business, both in the public and private sectors, people retire, staff take new positions, and management professionals exercise their right to structure their office team according to the priorities that must be met. The Board approved several personnel changes that will continue to advance this agency's ability to meet the demands of a robust system and position NJ TRANSIT in the future to address any issues that may arise. For more than 30 years NJ TRANSIT has grown and adapted to meet the transit needs of New Jersey's citizens, and it will continue to do so.

Amy Herbold's background serving on the Board of Directors, knowledge of NJ TRANSIT's organization processes and her keen intellect compliments the team they have assembled. Amy has worked very closely with previous Executive Directors and senior staff at NJ TRANSIT on governance and major state and bi-state projects such as the Gateway Project and the Papal visit.

Michael Lihvarcik brings a wealth of experience and knowledge regarding budget matters, in identifying cost efficiencies and implementing spending controls for numerous statewide transportation programs. Acting Chairman Hammer said he was confident that as NJ TRANSIT moves into Fiscal Year 2017 with Michael on board, they will make great progress and be in a better position in addressing issues which challenge this organization.

Joyce Zuczek has been officially named Board Secretary after having served in that role in an acting capacity the past five years. Joyce began her long storied transit career at the New Jersey Department of Transportation in 1976 and continued at NJ TRANSIT when it was created in 1979. She has held top administrative and management positions throughout NJ TRANSIT, including Corporate Affairs, with responsibility for high-level organizational duties and supervision. Joyce also serves as NJ TRANSIT's Open Public Records Act Officer and Administrative Practice Officer.

Adjournment

Since there were no further comments or business, Acting Chairman Hammer called for adjournment and a motion to adjourn was made by Vice Chairman Meisel, who noted Acting Chairman Hammer's comments were well said. The motion was seconded by Board Member James C. Finkle, Jr. and unanimously adopted. The meeting was adjourned at approximately 7:58 p.m.

NEW JERSEY TRANSIT CORPORATION
NJ TRANSIT BUS OPERATIONS, INC.
NJ TRANSIT RAIL OPERATIONS, INC.
NJ TRANSIT MERCER, INC.
NJ TRANSIT MORRIS, INC.
REGULARLY SCHEDULED BOARD OF DIRECTORS' MEETINGS

MAY 11, 2016

MINUTES

PAGE

| | | |
|----------|---|--------------|
| ➤ | CALL TO ORDER | - |
| ➤ | SAFETY ANNOUNCEMENT | - |
| ➤ | PLEDGE OF ALLEGIANCE TO THE FLAG | - |
| ➤ | APPROVAL OF MINUTES OF PREVIOUS MEETINGS | 49159 |
| ➤ | PUBLIC COMMENTS ON AGENDA ITEMS AND OTHER MATTERS | - |
| ➤ | ADVISORY COMMITTEE REPORT | - |
| ➤ | SENIOR CITIZEN AND DISABLED RESIDENT TRANSPORTATION ADVISORY COMMITTEE REPORT <u>(NEXT SCHEDULED REPORT JUNE 2016)</u> | - |
| ➤ | BOARD COMMITTEE REPORTS | - |
| | *Customer Service Committee | |
| | *Administration Committee | |
| | *Capital Planning, Policy and Privatization Committee | |
| ➤ | EXECUTIVE DIRECTOR'S MONTHLY REPORT | 49160 |

ACTION ITEMS

| | | |
|----------------|--|--------------|
| 1605-24 | NJ TRANSIT RESILIENCE PROGRAM – NJ TRANSITGRID DISTRIBUTED GENERATION PROJECT: CONSULTANT CONTRACT AWARD FOR CONCEPTUAL AND PRELIMINARY DESIGN SERVICES | 49181 |
|----------------|--|--------------|

Authorization to enter into NJ TRANSIT Contract No. 16-001 with AECOM of Piscataway, New Jersey, to provide Phase I – Conceptual and Preliminary Design consultant services for the NJ TRANSITGRID Distributed Generation Project at a cost not to exceed \$3,556,416, plus five percent for contingencies, subject to the availability of funds.

| | | |
|----------------|--|--------------|
| 1605-25 | ALP45DP (DUAL POWER) LOCOMOTIVE MANUFACTURER'S REQUIRED MAINTENANCE CYCLE | 49188 |
|----------------|--|--------------|

Authorization to enter into a sole source Contract No. 16-603 with Foley-Caterpillar, Inc. of Piscataway, New Jersey to provide materials and services for the manufacturer's required maintenance cycle on 70 Caterpillar engines (2 per

NEW JERSEY TRANSIT CORPORATION
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REGULARLY SCHEDULED BOARD OF DIRECTORS' MEETINGS
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locomotive) in an amount not to exceed \$8,305,758, plus five percent for contingencies, subject to the availability of funds.

1605-26 RUTHERFORD STATION PLAZA IMPROVEMENTS CONSTRUCTION CONTRACT AWARD 49194

Authorization to enter into NJ TRANSIT Contract No. 16-004X with Sparwick Contracting, Inc., of Lafayette, New Jersey, to provide construction services for the NJ TRANSIT Rutherford Station Plaza Improvements Project at a cost not to exceed \$997,668, plus five percent for contingencies, subject to the availability of funds.

1605-27 BOROUGH OF HILLSDALE RAILROAD LEASE AGREEMENT EXTENSION 49198

Authorization to take any and all actions necessary to negotiate and execute an extension of the Railroad Station Lease and Operating Agreement with the Borough of Hillsdale for an additional 20-year period to allow the Borough to continue to use, operate, maintain, repair, and improve the Hillsdale Railroad Station.

- **EXECUTIVE SESSION AUTHORIZATION: 49202** Discuss the employment or appointment of specific prospective and current public officer(s) or employee(s) and other personnel matters, contract and collective bargaining negotiations, the status of pending and anticipated litigation and matters falling within the attorney-client privilege, including, but not limited to, the Personal Injury Claim of David Lombardi.

1605-28 ADVANCED SPEED ENFORCEMENT SYSTEM II – POSITIVE TRAIN CONTROL: CONTRACT AMENDMENT FOR ENGINEERING SUPPORT SERVICES AND CONTRACT AMENDMENT FOR IMPLEMENTATION 49203

Authorization to amend NJ TRANSIT Contract No. 10-010 with HNTB of New York, New York, for expanded technical support services for Phases II and III – PTC Prototype and Demonstration and to expand support for Phases IV and V – PTC Implementation and Closeout, at a cost not to exceed \$19,000,000 plus five percent for contingencies, for a total not to exceed authorization of \$27,982,500, subject to the availability of funds.

Authorization also to amend NJ TRANSIT Contract No. 10-099X with Parsons Transportation Group of New York, New York, for Phases I, II and III of the ASES II PTC Program at a cost not to exceed the amount discussed in Executive Session, subject to the availability of funds.

NEW JERSEY TRANSIT CORPORATION
NJ TRANSIT BUS OPERATIONS, INC.
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REGULARLY SCHEDULED BOARD OF DIRECTORS' MEETINGS
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1605-29 PERSONAL INJURY CLAIM OF DAVID LOMBARDI 49210

Authorization to settle the claim of David Lombardi through his attorney, at an amount discussed in executive session. The Attorney General has approved the proposed settlement, subject to the availability of funds.

1605-30 APPOINTMENT OF DEPUTY EXECUTIVE DIRECTOR 49212

Authorization is requested to appoint Amy Herbold as Deputy Executive Director in accordance with the NJ TRANSIT By-Laws, Article IV, Section 8.

1605-31 APPOINTMENT OF CHIEF FINANCIAL OFFICER AND TREASURER 49214

Authorization is requested to appoint Michael J. Lihvarcik as Chief Financial Officer and Treasurer of NJ TRANSIT and its subsidiaries to perform the functions of the Office of the Treasurer in accordance with the NJ TRANSIT By-Laws, Article IV, Section 5.

1605-32 APPOINTMENT OF BOARD SECRETARY 49216

Authorization is requested to appoint Joyce J. Zuczek as Board Secretary of NJ TRANSIT and its subsidiaries in accordance with the NJ TRANSIT By-Laws, Article III, Section 2.

➤ ADJOURNMENT

APPROVAL OF MINUTES

WHEREAS, the By-Laws provide that the minutes of actions taken at meetings of the New Jersey Transit Corporation, NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Mercer, Inc., and NJ TRANSIT Morris, Inc. Board of Directors be approved by the Board; and

WHEREAS, pursuant to Section 4(f) of the New Jersey Public Transportation Act of 1979, the minutes of actions taken at the April 6, 2016 and April 12, 2016 Board meetings of the New Jersey Transit Corporation, NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Mercer, Inc., and NJ TRANSIT Morris, Inc. were forwarded to the Governor on April 7, 2016 and April 15, 2016;

NOW, THEREFORE, BE IT RESOLVED that the minutes of actions taken at the April 6, 2016 and April 12, 2016 New Jersey Transit Corporation, NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Mercer, Inc., and NJ TRANSIT Morris, Inc. Board of Directors' meetings are hereby approved.

Chris Christie, Governor
Kim Guadagno, Lieutenant Governor
Richard T. Hammer, Acting Commissioner
Dennis J. Martin, Interim Executive Director



One Penn Plaza East
Newark, NJ 07105-2246
973-491-7000

TO: BOARD OF DIRECTORS
FROM: DENNIS J. MARTIN
DATE: MAY 11, 2016
SUBJECT: EXECUTIVE DIRECTOR'S REPORT - MAY 2016

Exactly two months ago, we struck a tentative agreement with the coalition of unions representing our railroad workers. The announcement came just days before a potential strike. The news was a sigh of relief for hundreds of thousands of residents across the state who would have had their lives disrupted. Since that time, 13 of the unions have upheld their commitment to the many hours of discussions and compromises made at that bargaining table. Because of that commitment, those ratified agreements are currently in place. We thank those unions on behalf of our customers.

However, the membership of two unions, representing locomotive engineers and train conductors, failed to ratify that agreement by narrow margins, and that is a disappointing development. We are re-entering talks with those two unions, and will meet with them separately to hear what they have to say. In the meantime, we are in the midst of a 60-day cooling off period with each union, a time frame designed to allow these discussions to occur. As in all previous negotiations, we remain committed to finding a solution that benefits our customers, our employees and the taxpayers of New Jersey.

While rail negotiations are taking place, we are also crafting a budget for Fiscal Year 2017. The day after last month's Board meeting, Board Chairman and Department of Transportation Acting Commissioner Richard T. Hammer and I appeared before legislators in Trenton as part of the ongoing budget reconciliation process. We anticipate additional receipts and reimbursements through the remainder of the fiscal year to mitigate any potential budget gap and further identify cost efficiencies. We continue to work with legislators and the Department of Treasury to maintain a sufficient level of funding to continue providing vital transportation services.

This weekend, we will resume our seasonal service to Monmouth Park Racetrack. Beginning May 14th and running through September 25th, North Jersey Coast Line trains will stop at Monmouth Park on weekends and holidays when the track is open for live racing. We will begin Friday rail service on June 3rd, continuing it through September 2nd. Customers, again this year, will be able to save \$5.50 when they purchase a Monmouth Park package, which includes round-trip train tickets, Grandstand Admission and an official track program. Last year, we were able to highlight the convenience of our rail service to a massive crowd watching Triple Crown winner American Pharoah lead the pack at the Haskell Invitational. We are hoping to see many of those fans return to the train this season.

On Sunday May 15th, trains will officially stop at the Wesmont station on the Bergen County Line, making it the 166th rail station in the system. This facility is a result of a public-private partnership with Somerset Development, and I want to thank everyone involved for their hard work and making sure this station moved from an idea to reality. I applaud the efforts of Capital Planning and Programs, under the direction of Steve Santoro, as well as project manager Rob Edwards for keeping this project moving forward throughout the years. The new state-of-the-art station features a center-island platform with a pedestrian overpass, elevator access and ticket vending machines. I know residents in Wood-Ridge have been waiting for this station, and I want to thank them for their patience. I recognize that more work needs to be done on the site. A permanent parking lot is under construction and we remain fully committed to seeing that project come to completion in short order.

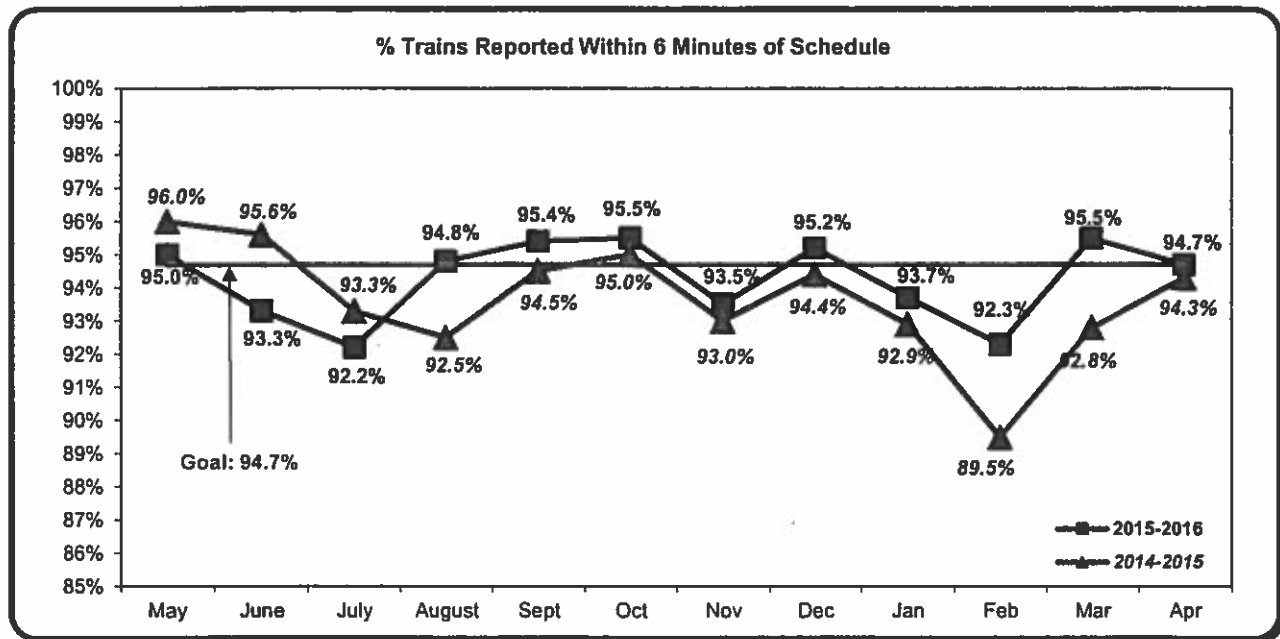
Now that the warmer weather is here, the sweet sounds of some of our musical performers are beginning to fill the air for our Music in Motion program. On select dates throughout the spring and summer, we will have live musical acts entertaining customers passing through stations. It is an added amenity for our customers amidst the hustle and bustle of their commute. We have received high praise from those who take a few moments to enjoy what our performers have to offer. If customers look closely, they may even recognize some of our train conductors showcasing their other talents. It's nice to see our employees engaging with customers in song.

EXECUTIVE DIRECTOR'S MONTHLY REPORT MAY 2016

- 1. PERFORMANCE MEASURES**
- 2. MEAN DISTANCE BETWEEN FAILURES**
- 3. DBE/MBE PROGRAM**
- 4. EMPLOYEE RECOGNITION**

PERFORMANCE MEASURES

NJ TRANSIT ON-TIME PERFORMANCE RAIL MAY 2014 - APRIL 2016



| | 2015 | 2016 | # Change |
|------------------|-------|-------|----------|
| April Comparison | 94.3% | 94.7% | 0.4 |

| | 2014-2015 | 2015-2016 | # Change |
|--------------------------------------|-----------|-----------|----------|
| 12-Month Average May 2014-April 2016 | 93.7% | 94.3% | 0.6 |

Analysis:

Rail On-Time Performance was 94.7% for April 2016. Of the 18,109 trains scheduled to operate, 17,143 were on time, while 966 trains (or 5.3%) were delayed. Key causes included:

- Amtrak programmed maintenance caused 38 delays resulting in 89.0% OTP on April 10
- NJT fatality, Amtrak computer system failure, and NJT cab car failure caused 115 delays resulting in 80.9% OTP on April 18.
- Two trackside brush fires and Amtrak computer system failure caused 144 delays resulting in 77.4% OTP on April 19.

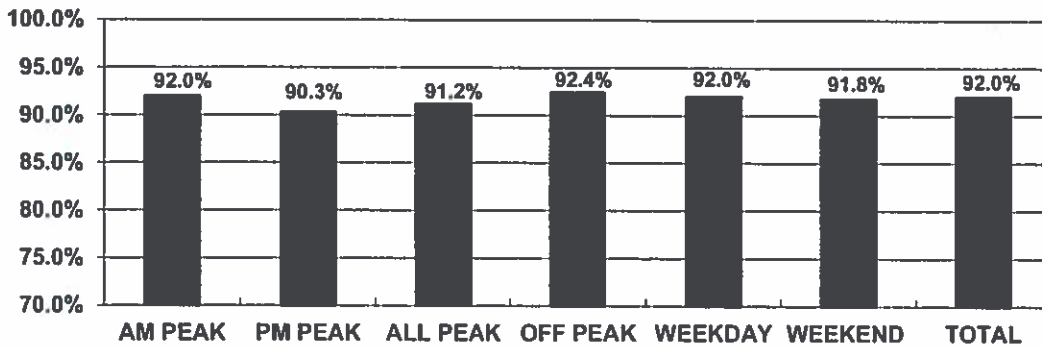
The 12-month average for Rail On-Time Performance for May 2015-April 2016 was 94.3%, which improved by 0.6%.

ON-TIME PERFORMANCE RAIL

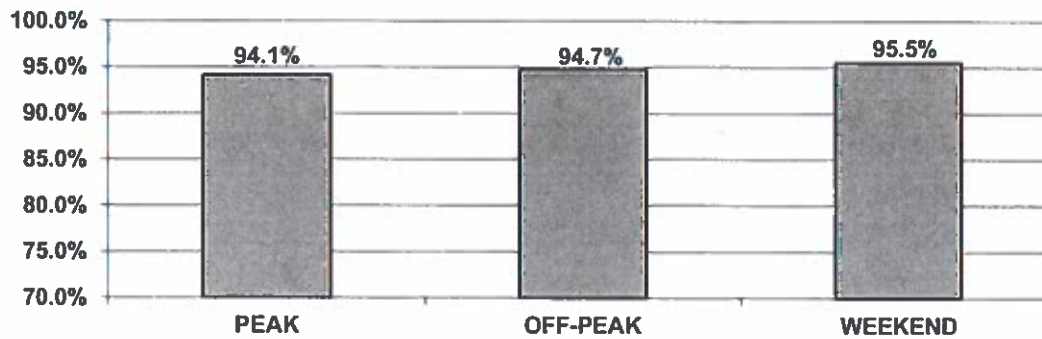
SUMMARY BY TIME PERIOD APRIL 2016

* NOTE: A train is reported late if it arrives at its final station stop more than 5:59 later than the advertised schedule.

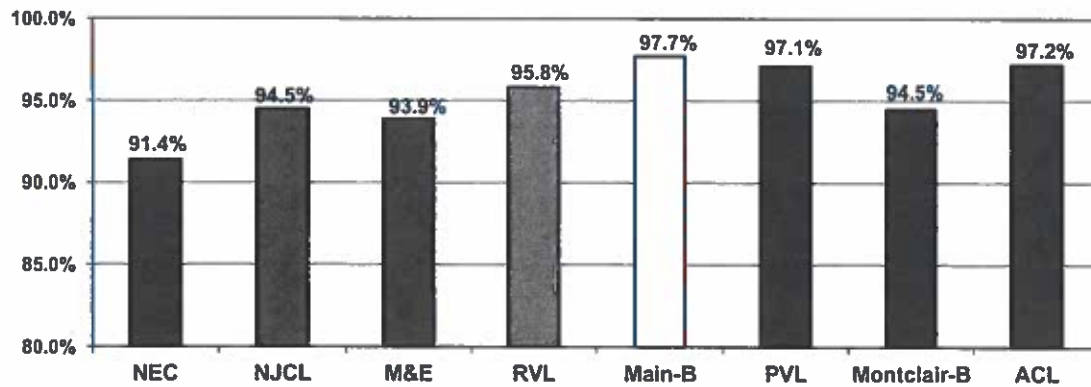
% NEW YORK PENN STATION Trains Reported On Time *



% SYSTEMWIDE Trains Reported On Time

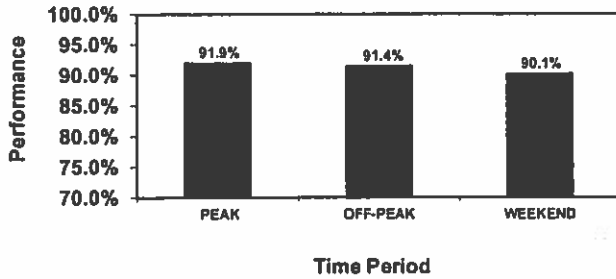


% BY LINE Trains Reported On Time

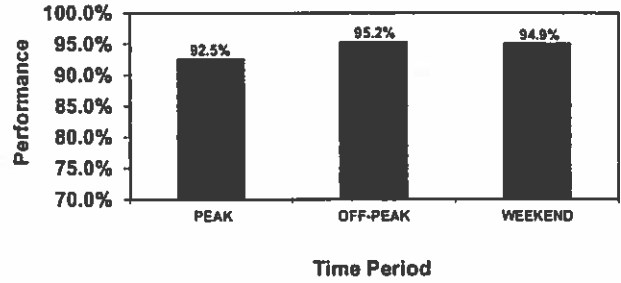


ON-TIME PERFORMANCE BY RAIL LINE & TIME PERIOD APRIL 2016

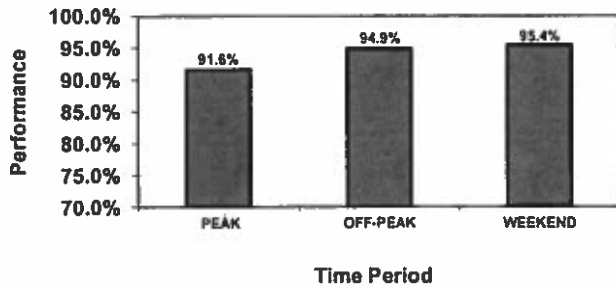
NORTHEAST CORRIDOR



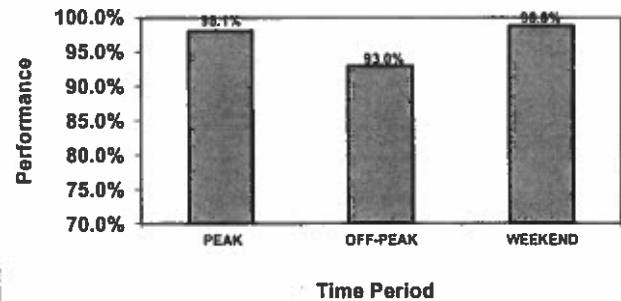
NORTH JERSEY COAST LINE



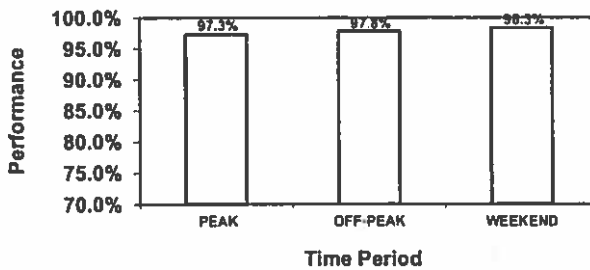
MORRIS & ESSEX



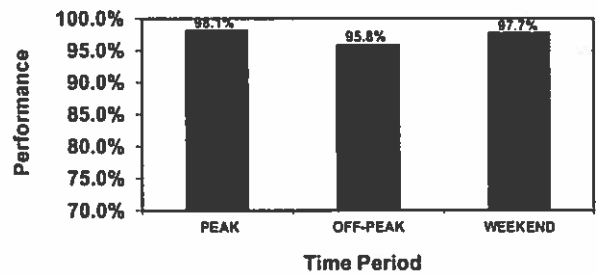
RARITAN VALLEY LINE



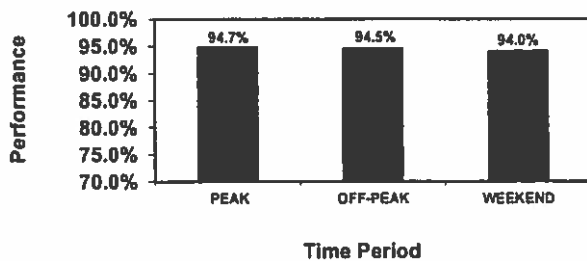
MAIN-BERGEN



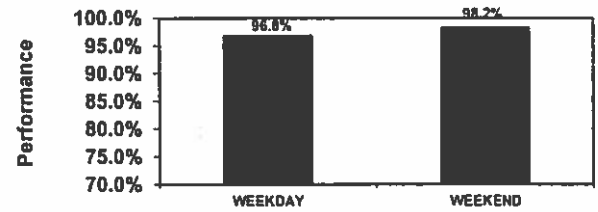
PASCACK VALLEY



MONTCLAIR-BOONTON



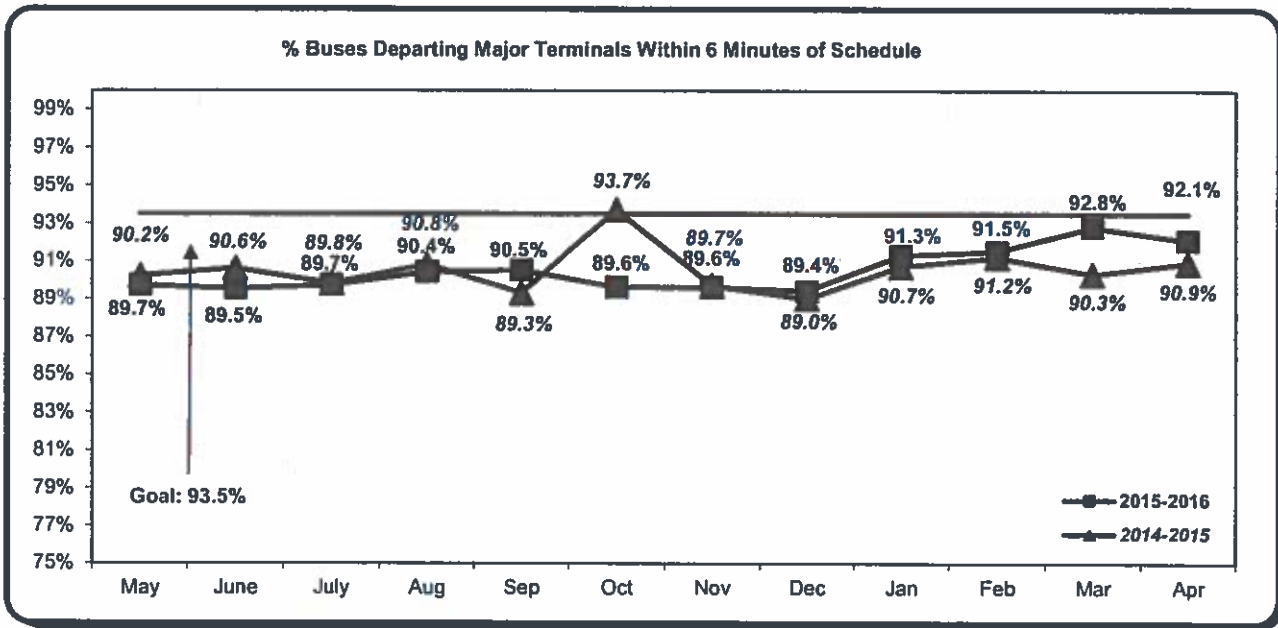
ATLANTIC CITY*



*NOTE: There is no distinction for the ACL between peak and off-peak service.

Time Period

NJ TRANSIT ON-TIME PERFORMANCE BUS MAY 2014 - APRIL 2016



| | 2015 | 2016 | % Change |
|------------------|-------|-------|----------|
| March Comparison | 90.9% | 92.1% | 1.2% |

| | 2014-2015 | 2015-2016 | % Change |
|-------------------------------------|-----------|-----------|----------|
| 12-Month March 2014 - February 2016 | 90.5% | 90.5% | 0.0% |

Analysis:

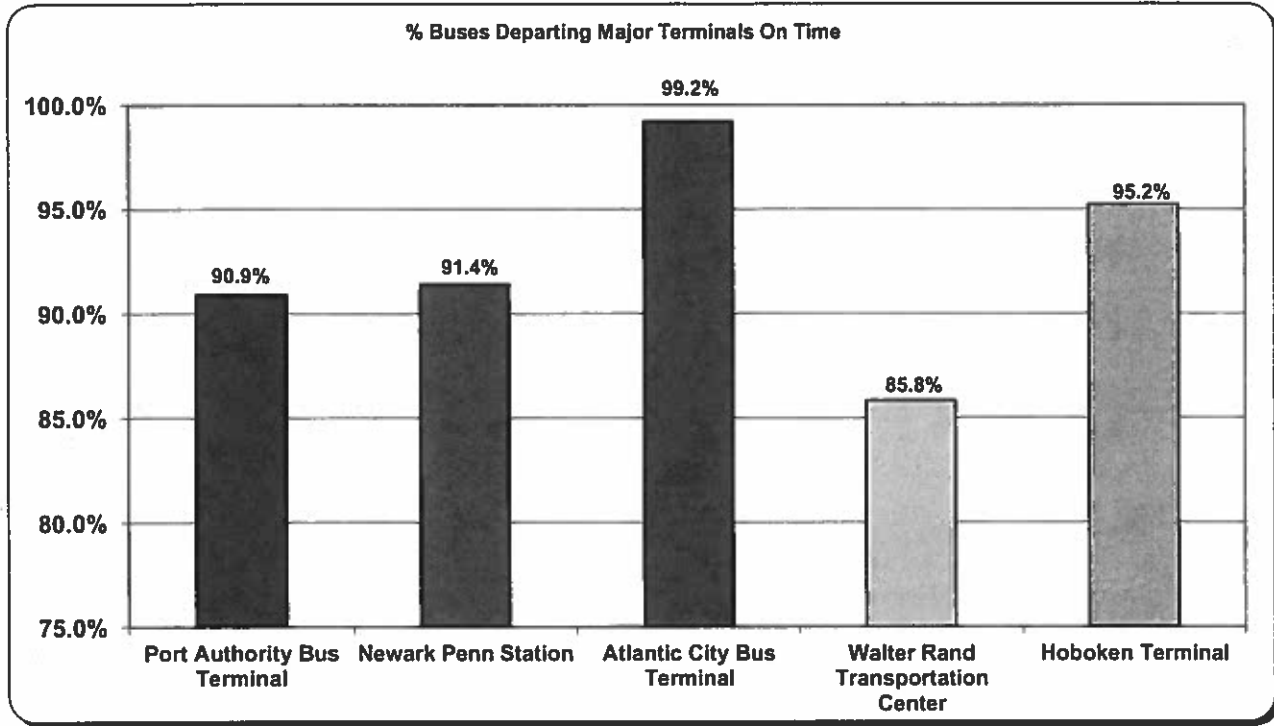
Bus On-Time Performance was 92.1% for April 2016. Of the 40,558 monitored departures, 3,220 (or 7.9%) experienced delays. Key causes included:

- Accident between NJT bus and private vehicle impacted Port Authority Bus Terminal performance and forced diversion through Union City on April 14.
- Visit by Hillary Clinton to Philadelphia on April 6. Continued work in area by the Camden Water Department and pole replacement by PSE&G caused delays throughout April.
- Major delay due to visit by Michelle Obama to Newark on April 7.

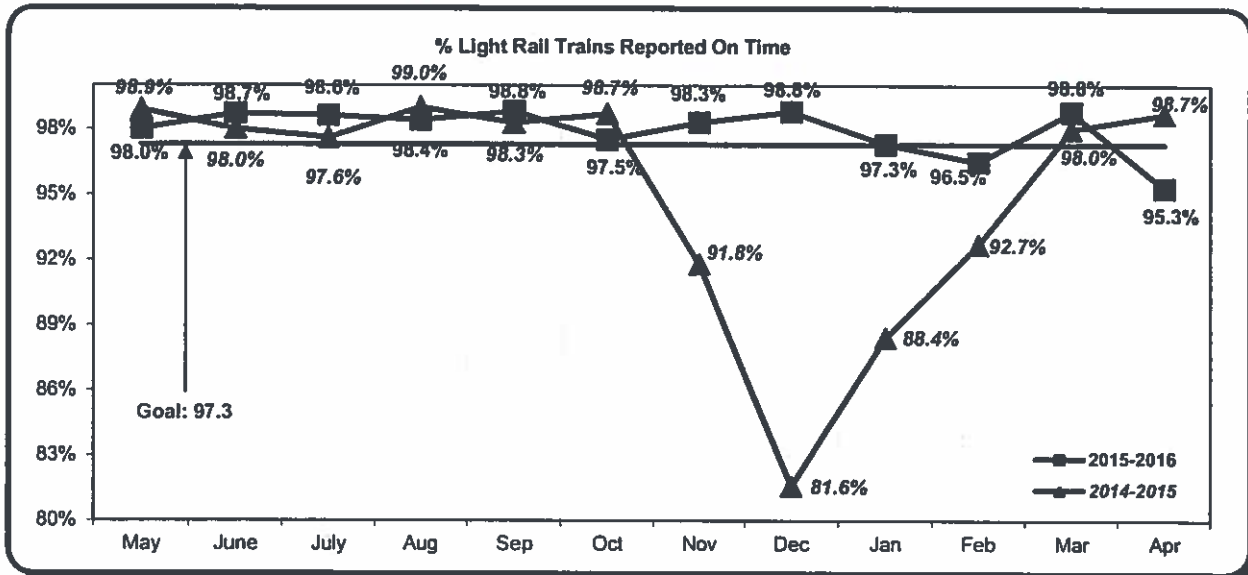
The 12-month average for Bus On-Time Performance for May 2015 - April 2016 was 90.5%, which did not change from the previous year.

ON-TIME PERFORMANCE BUS

SUMMARY BY TERMINAL APRIL 2016



NJ TRANSIT ON-TIME PERFORMANCE LIGHT RAIL MAY 2014 - APRIL 2016



| | 2015 | 2016 | # Change |
|------------------|-------|-------|----------|
| April Comparison | 98.7% | 95.3% | -3.4 |

| | 2014-2015 | 2015-2016 | # Change |
|--|-----------|-----------|----------|
| 12-Month Average May 2014 - April 2016 | 95.1% | 97.9% | 2.8 |

Analysis:

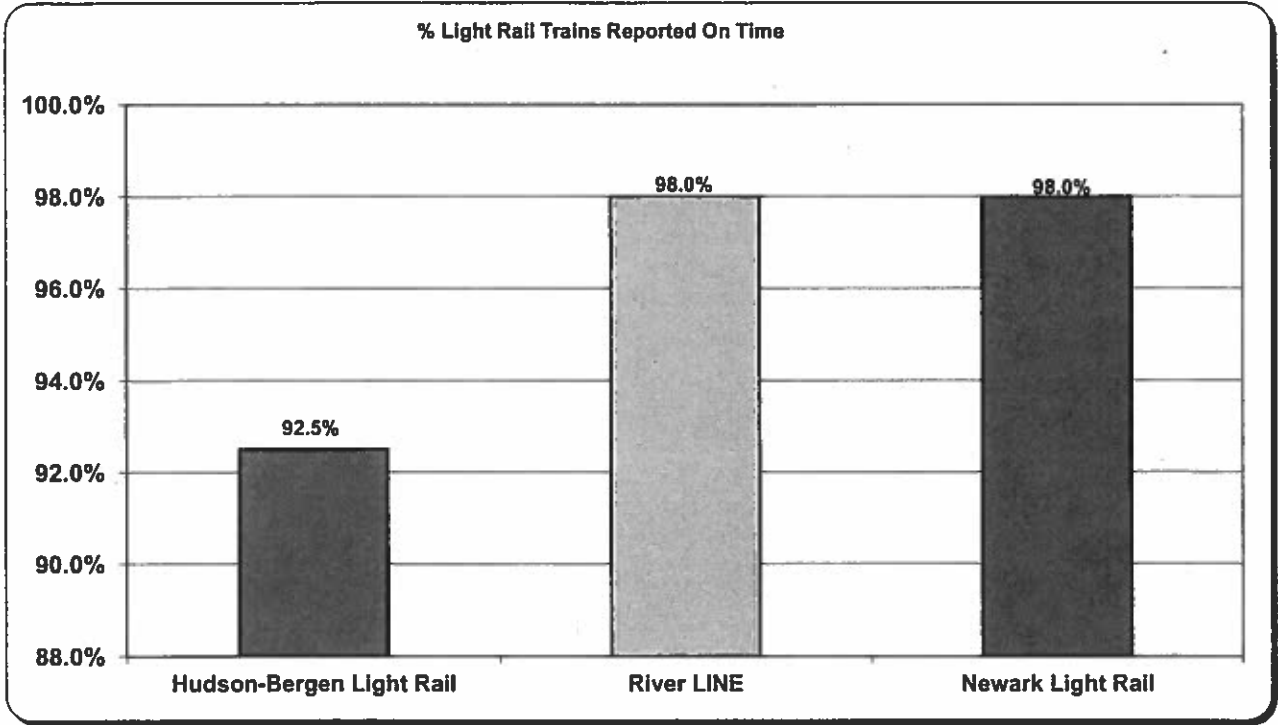
Light Rail On-Time Performance systemwide was 95.3% for the month of April 2016. Of the 25,434 monitored departures, 1,207 (or 4.7%) experienced delays. Key causes included:

- Catenary damage from displaced truck delayed 560 Hudson-Bergen Light Rail trains from April 25 to April 27.
- Equipment malfunction (door issue) delayed seven RiverLINE trains on April 15.
- Mechanical problems delayed 43 Newark Light Rail trains on April 12.

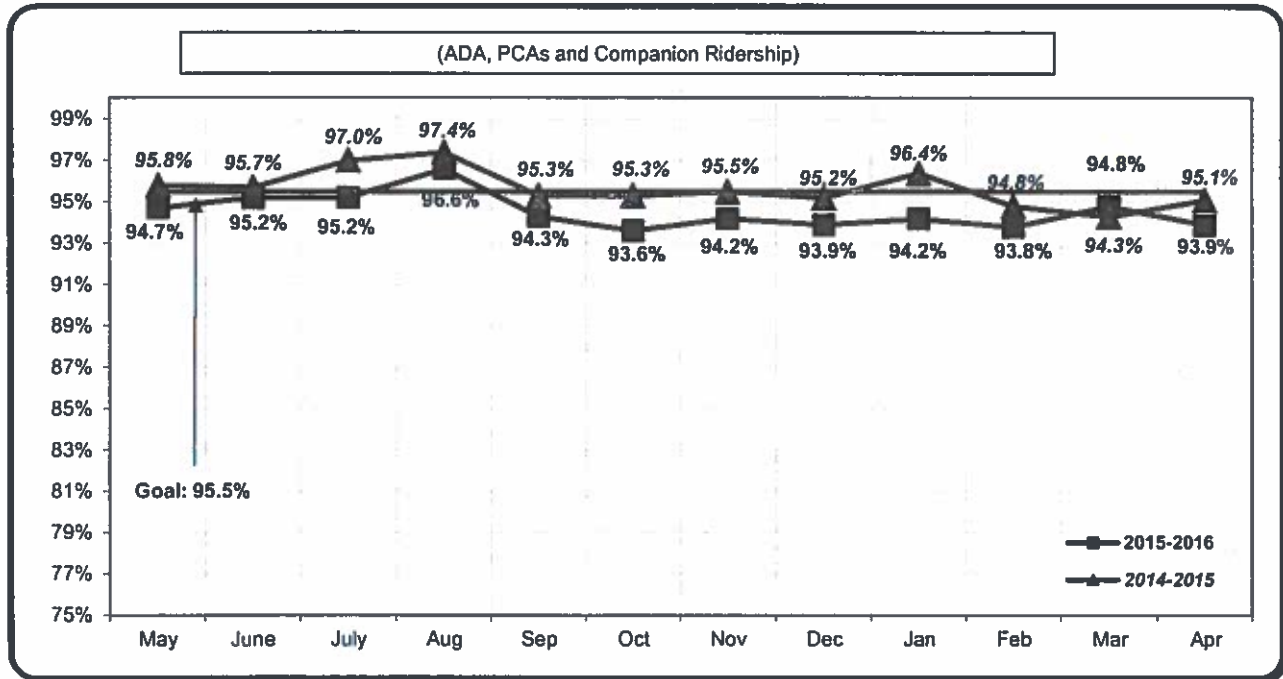
The 12-month average for Light Rail On-Time Performance for May 2015-April 2016 was 97.9%, which improved by 2.8%.

ON-TIME PERFORMANCE LIGHT RAIL

SUMMARY BY LINE APRIL 2016



NJ TRANSIT ON-TIME PERFORMANCE ACCESS LINK MAY 2014 - APRIL 2016



| | 2015 | 2016 | % Change |
|------------------|-------|-------|----------|
| April Comparison | 95.1% | 93.9% | -1.2 |

| | 2015 | 2016 | Difference |
|-----------------|---------|---------|------------|
| April Ridership | 127,897 | 135,413 | 7,516 |

| | 2014-2015 | 2015-2016 | % Change |
|----------------------------|-----------|-----------|----------|
| 12-Month Average May-April | 95.7% | 94.5% | -1.2% |

Analysis:

Access Link On-Time Performance was 93.9% for April 2016. Of the 135,413 total trips, 7,597 (or 6.1%) experienced delays.

Key causes include:

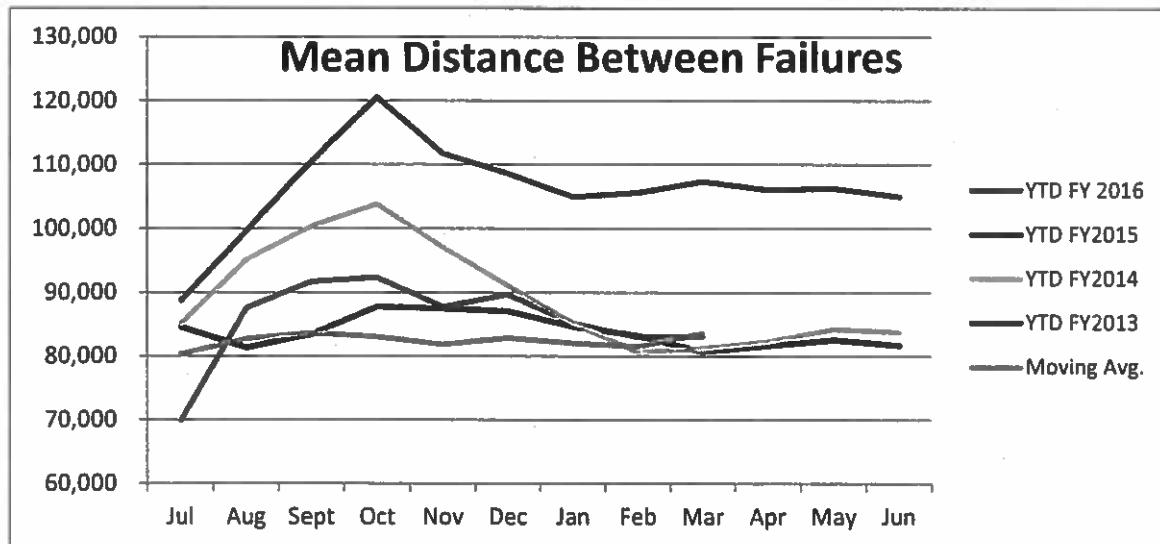
- Traffic congestion causing service delays.
- Cancellations and customer no-shows.
- Road closures due to construction.

The 12-month average for Access Link On-Time Performance for May 2015 - April 2016 was 94.5%, which decreased by 1.2%.

MEAN DISTANCE BETWEEN FAILURES

NJ Transit Rail
Mean Distance Between Failures

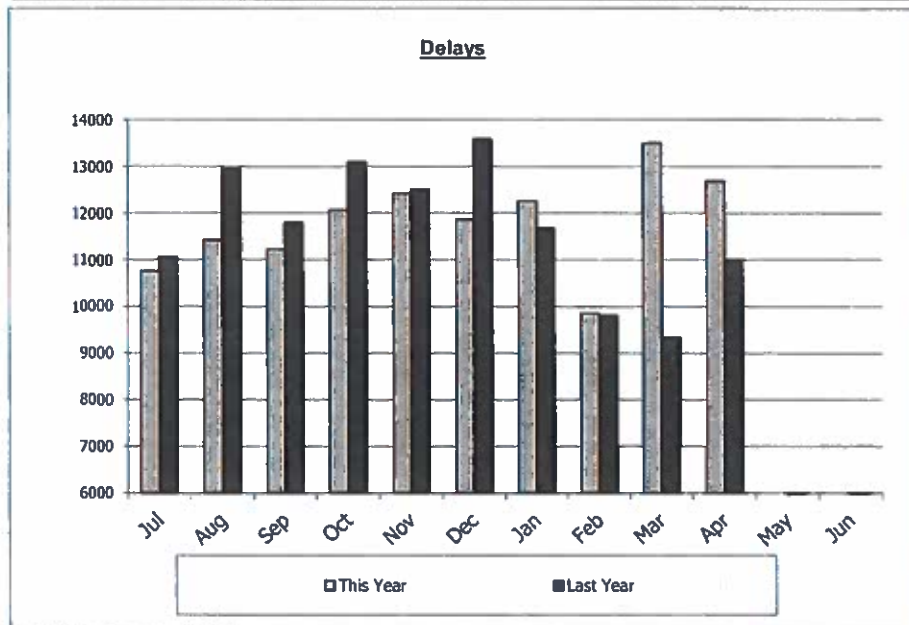
| Month | YTD FY2016 | YTD FY2015 | YTD FY2014 | YTD FY2013 | 12 Month Moving Avg. |
|-------|------------|------------|------------|------------|----------------------|
| Jul | 69,926 | 84,508 | 85,097 | 88,735 | 80,305 |
| Aug | 87,565 | 81,319 | 95,116 | 99,585 | 82,718 |
| Sept | 91,669 | 83,368 | 100,341 | 110,530 | 83,609 |
| Oct | 92,329 | 87,750 | 103,813 | 120,591 | 83,028 |
| Nov | 87,756 | 87,434 | 97,112 | 111,758 | 81,837 |
| Dec | 89,655 | 87,042 | 91,128 | 108,579 | 82,868 |
| Jan | 85,167 | 84,607 | 85,161 | 104,917 | 82,008 |
| Feb | 82,949 | 83,179 | 80,639 | 105,580 | 81,560 |
| Mar | 83,112 | 80,659 | 81,229 | 107,335 | 83,578 |
| Apr | - | 81,649 | 82,293 | 106,048 | - |
| May | - | 82,566 | 84,237 | 106,287 | - |
| Jun | - | 81,704 | 83,798 | 104,975 | - |



Garage Performance Parameters

April 2016

| Location | Miles Between In-Service Delays | | | |
|--------------------------|---------------------------------|---------------|---------------|---------------|
| | FY2016 Goal | This Month | FY2016 YTD | FY2015 YTD |
| Fairview | 7,000 | 7,248 | 6,397 | 6,399 |
| Greenville | 9,900 | 4,624 | 6,667 | 6,843 |
| Market Street | 9,500 | 8,513 | 8,292 | 9,129 |
| Meadowlands | 11,500 | 12,149 | 8,451 | 9,026 |
| Oradell | 13,500 | 11,175 | 10,729 | 9,752 |
| Wayne | 12,500 | 14,904 | 11,946 | 11,148 |
| Northern Division | - | 10,112 | 9,204 | 9,150 |
| Big Tree | 9,600 | 8,328 | 7,945 | 9,658 |
| Hilton | 10,500 | 9,684 | 11,019 | 10,866 |
| Howell | 16,750 | 33,709 | 33,531 | 19,858 |
| Ironbound | 9,800 | 11,856 | 10,684 | 9,902 |
| Orange | 10,200 | 11,441 | 8,946 | 11,526 |
| Morris | 10,500 | 47,744 | 42,713 | 49,912 |
| Central Division | - | 14,003 | 13,052 | 12,555 |
| Egg Harbor | 15,500 | 24,424 | 14,933 | 14,900 |
| Hamilton | 19,000 | 17,959 | 23,397 | 17,624 |
| Newton Avenue | 15,700 | 14,328 | 14,414 | 14,912 |
| Washington Twp. | 14,500 | 11,410 | 13,058 | 13,709 |
| Southern Division | - | 15,700 | 14,792 | 14,763 |
| Bus Operations | - | 12,685 | 11,728 | 11,545 |

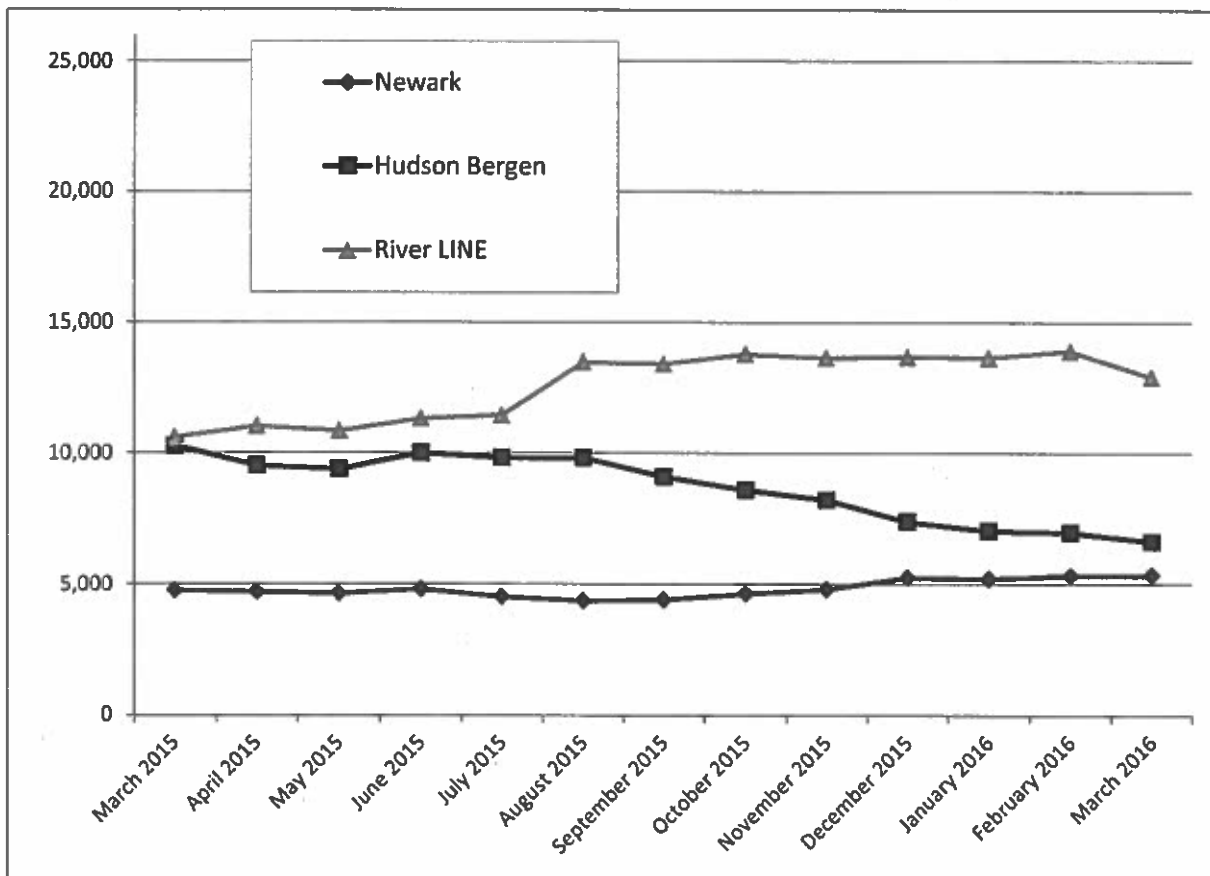


NJ TRANSIT - LIGHT RAIL, March 2016

Miles Between In-Service Delays (Mechanical Failures)

| Light Rail System | February 2016 (Current Month) | 12 Month Moving Average (Mean) |
|-------------------|----------------------------------|-----------------------------------|
| Newark Light Rail | 3,190 | 5,347 |
| Hudson Bergen | 5,226 | 6,644 |
| River LINE | 10,299 | 12,918 |

MEAN DISTANCE MILES BETWEEN IN-SERVICE DELAYS (DELAYED TRAINS)



DBE/SBE PROGRAM

NJ TRANSIT –Office of Business Development Additional DBE/SBE Participation for April 2016

State Funded Contracts

During the month of April 2016, NJ TRANSIT awarded \$0.00 in state funded contracts. Of that total, Small Business Enterprises (SBEs) received \$0.00 or 0.00%.

During the State Fiscal Year 2016 (July 1, 2015 through June 30, 2016) NJ TRANSIT awarded \$292,545,857.37* in state funded contracts. Of that total, SBEs received \$35,557,105.23 or 12.15%.

SBE Goal Attainment from July 1, 2015 through June 30, 2016 (FY 2015)

| | | |
|--------------------------|-----------------|----------|
| Category 1 SBEs received | \$3,723,746.20 | or 1.27% |
| Category 2 SBEs received | \$1,159,244.65 | or 0.40% |
| Category 3 SBEs received | \$25,644,075.21 | or 8.77% |
| Category 4 SBEs received | \$3,943,901.17 | or 1.35% |
| Category 5 SBEs received | \$1,086,138.00 | or 0.37% |
| Category 6 SBEs received | \$0.00 | or 0.00% |

FTA Funded Contracts (updated Quarterly – next update will occur July 2016)

During the 2nd Quarter (January 1, 2016 – March 31, 2016) of Federal Fiscal Year 2016 (October 1, 2015 through September 30, 2016), the FTA funded share of NJ TRANSIT’s federal contracts awarded was \$12,467,557.00*. Of that total, Disadvantaged Business Enterprises (DBEs) received \$2,106,717.00 or 16.90%.

DBE Goal Attainment from October 1, 2013 (FFY 2014) - September 30, 2016 (FFY 2016) **

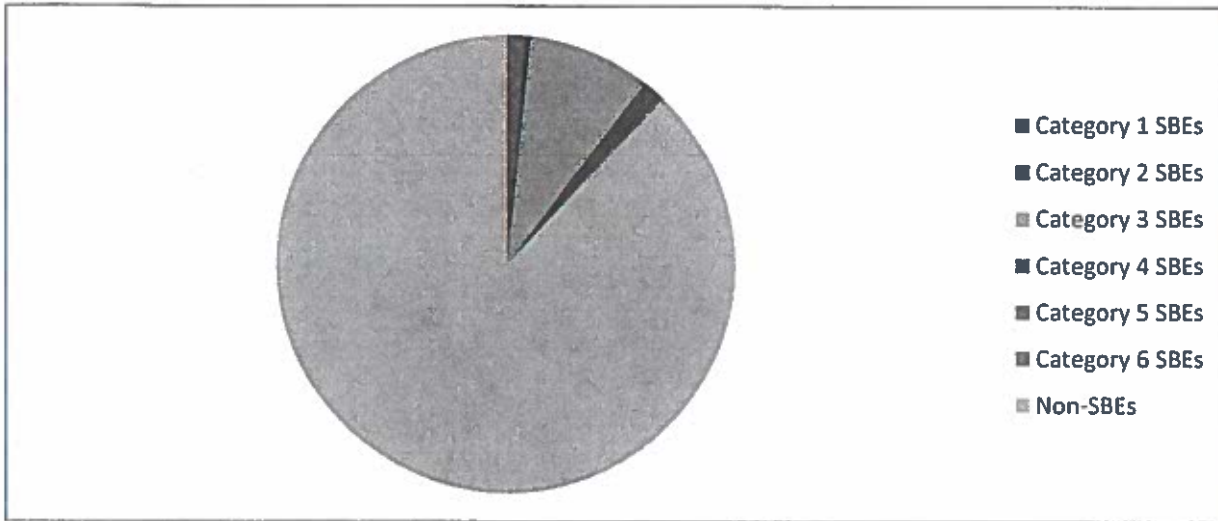
| | |
|-------------------|---------------------------|
| Contracts awarded | \$38,382,146.65* |
| DBEs received | \$ 7,048,720.34 or 18.36% |

*Figure adjusted from previous month’s award, March 2016.

**Numbers reflect federal share.

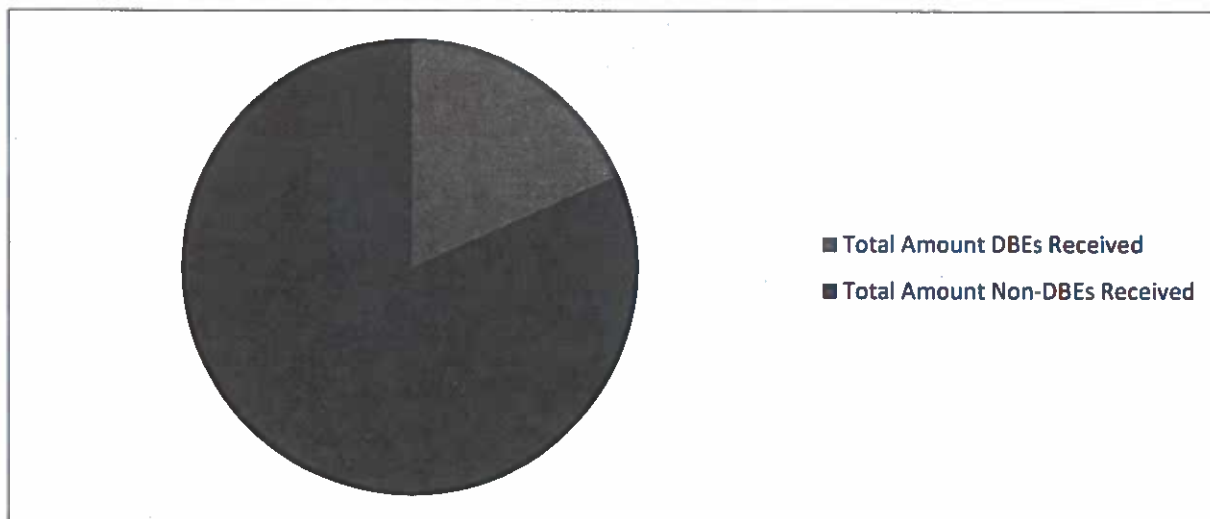
SBE PARTICIPATION
STATE CONTRACTS
STATE FYTD 2016

| | | |
|------------------------|------------------|--------|
| <i>Category 1 SBEs</i> | \$3,723,746.20 | 1.27% |
| <i>Category 2 SBEs</i> | \$1,159,244.65 | 0.40% |
| <i>Category 3 SBEs</i> | \$25,644,075.21 | 8.77% |
| <i>Category 4 SBEs</i> | \$3,943,901.17 | 1.35% |
| <i>Category 5 SBEs</i> | \$1,086,138.00 | 0.37% |
| <i>Category 6 SBEs</i> | \$0.00 | 0.00% |
| <i>Non-SBEs</i> | \$256,988,752.14 | 82.29% |



DBE PARTICIPATION
FEDERAL CONTRACTS
TRIENNIAL YEARS 2014-2016

| | | |
|---------------------------------------|------------------------|---------------|
| Total Amount DBEs Received | \$7,048,720.34 | 18.36% |
| Total Amount Non-DBEs Received | \$31,333,426.30 | 81.64% |



EMPLOYEE RECOGNITION

NJ TRANSIT employees bid farewell after outstanding careers

Twenty-two NJ TRANSIT employees recently retired with careers ranging from 10 to 42 years of service:

1. Frank Deberry, Operator – Orange -- 22 years
2. Alfred Ireland, Repairman A – Newton Avenue – 10 years
3. Michael Barnes, Operator – Big Tree – 35 years
4. Linda Burgess-Thorpe, Receiving Clerk Storage – Newark Shop – 27 years
5. Linda Culpepper, Operator – Big Tree – 22 years
6. Richard Gaul, Mechanic A – Big Tree – 36 years
7. Ronald Jones, Operator – Howell – 18 years
8. Abdullah Muhammad, Operator – Orange – 17 years
9. Arthur Cherry, Operator – Howell – 20 years
10. Roxanne Lee, Operator – Orange – 13 years
11. Marvin Ricks, Operator – Market Street – 15 years
12. Michael Clappsy, Material Purchasing Specialist – Penn Plaza – 34 years
13. Janet Deperi, Manager Clinical Services – GOB – 34 years
14. Mohammad Hamza, Regional Supervisor – Fairview – 21 years
15. Ruth Jenkins, Senior Executive Secretary – Penn Plaza – 25 years
16. Janet Leigh-Morgan, Strategic Staffing Assistant – GOB – 32 years
17. Roger Ouellette, General Forman – MMC – 29 years
18. Koshy Panicker, Assistant Manager – MMC – 30 years
19. Roseanne Piovesan, Principal Software Specialist – GOB – 18 years
20. Mark Salerno, Conductor – Newark – 42 years
21. Robert Cole, Line Engineer – Hoboken – 33 years
22. Dominic Soriano, Director Rail Communication – Hoboken – 36 years

ACTION ITEMS

ITEM 1605-24: NJ TRANSIT RESILIENCE PROGRAM – NJ TRANSITGRID DISTRIBUTED GENERATION PROJECT: CONSULTANT CONTRACT AWARD FOR CONCEPTUAL AND PRELIMINARY DESIGN SERVICES

BENEFITS

On November 5, 2014, the U.S. Department of Transportation announced that NJ TRANSIT had been selected through a competitive process to receive \$409,764,814 in Federal Transit Administration (FTA) Emergency Relief Program funding to support the design and construction of NJ TRANSITGRID.

Once constructed, NJ TRANSITGRID will incorporate a centralized power plant, renewable energy, distributed generation, and other technologies

to provide resilient power to key NJ TRANSIT rail lines, stations, maintenance facilities, bus garages, ferry terminals, and other assets.



When completed, NJ TRANSITGRID will serve as a first-of-its-kind electrical microgrid power generating system capable of supplying reliable electric power to a transit system during extreme weather events or at times when the regional power system is compromised.

ACTION (Safety and Security, Corporate Accountability, Financial Performance)

Staff seeks authorization to enter into NJ TRANSIT Contract No. 16-001 with AECOM of Piscataway, New Jersey, to provide Phase I – Conceptual and Preliminary Design consultant services for the NJ TRANSITGRID Distributed Generation Project at a cost not to exceed \$3,556,416, plus five percent for contingencies, subject to the availability of funds.

PURPOSE

This authorization will advance conceptual design and preliminary engineering of the NJ TRANSITGRID Distributed Generation Project, associated distributed generation facilities, and other infrastructure improvements necessary to provide resilient power to

support a continuity of passenger service to and from critical facilities after a major regional power disruption. This functionality will be maintained by supplying independently-generated electric power. Sites under consideration include Greenville, Meadowlands, and Wayne Bus Garages and passenger facilities (parking areas and stations) on the Northeast Corridor (NEC) and Morris and Essex Lines, including Hoboken Terminal, Newark Broad Street Station, Frank R. Lautenberg Station at Secaucus Junction, and Newark Penn Station, and select ferry facilities.

Under this authorization, the Consultant will produce preliminary design and engineering for the required facilities, support NJ TRANSIT's environmental and regulatory compliance, develop design criteria to guide project engineering, and provide bid packaging assistance with subsequent phases of the NJ TRANSITGRID Distributed Generation Project and other technical services.

The conceptual and preliminary design services requested in this authorization is the first of two phases in the design process: Phase I – Conceptual and Preliminary Design and Phase II – Construction Assistance/Engineering Support. This authorization covers Phase I activities only; additional authorization will be requested at a later date for AECOM to proceed with Phase II.

BACKGROUND

For several weeks, Superstorm Sandy disabled much of northern New Jersey's regional electric power system, such that rail services were inoperable, either for lack of electric traction power to drive locomotives and rail cars, or to energize key signal and communications systems that allow centralized control of trains. Commuter rail service was disrupted for months in what was described by the President's Hurricane Sandy Rebuilding Task Force as "the worst disaster for public transit systems (e.g., bus, subway, commuter rail) in the nation's history." Even after the storm had passed, prolonged and diffuse electrical outages significantly hampered the system's recovery.

In the aftermath of the storm, NJ TRANSIT made immediate repairs to restore service, and began identifying opportunities to increase the rail system's resilience against future extreme weather events. Among the concepts considered was the creation of an independent electric power generating plant with which to supply local power to critical inner-core rail services to allow their continued operation even if regional electric power systems could not supply electric power.

Partnership with U.S. Department of Energy and State Agencies

To address the rail system's energy vulnerabilities, on August 19, 2013, NJ TRANSIT, the U.S. Department of Energy (USDOE), and the New Jersey Board of Public Utilities (NJBPU) entered into a Memorandum of Understanding (MOU) to collaborate to develop an independent microgrid electric power generation and distribution system to support the operation of NJ TRANSIT's and Amtrak's critical rail systems. The USDOE agreed to engage Sandia National Laboratories to study the feasibility of designing a microgrid system that could support NJ TRANSIT and Amtrak rail system operations on

an emergency basis. The design of such a system would represent the first rail transportation application of an independent electric power generating system in the nation. Sandia's efforts were supported by NJBPU, the New Jersey Department of Environmental Protection, the New Jersey Office of Homeland Security and Preparedness, and other public and private stakeholders.

As developed by Sandia National Laboratories in collaboration with NJ TRANSIT, NJ TRANSITGRID includes two components: the Central Power Plant and Distributed Generation. When fully implemented, the NJ TRANSITGRID will provide resilient electric traction power to enable NJ TRANSIT trains on portions of the Northeast Corridor, the Morristown Line, and the Hudson-Bergen Light Rail system to continue to operate in the event of a regional power system failure. Additionally, NJ TRANSITGRID will help the regional economy as an operating portion of the public transit system can support disaster recovery by maintaining work commutations and facilitating relief efforts.

NJ TRANSITGRID will also raise and harden critical electric traction power constituent components that supply these rail lines with propulsive electric power, better allowing the region's transit network to withstand, and recover from, extreme weather events. NJ TRANSIT will also purchase electric non-revenue vehicles for routine use at the Meadows Maintenance Complex as an additional element of this project.

Scope of Work

The scope of work under this authorization is the conceptual design and preliminary engineering of the NJ TRANSITGRID Distributed Generation Project. The concept advanced by Sandia Labs involves onsite Distributed Generation and distribution resources located at key rail, bus, light rail and ferry terminal locations. The project includes:

- Up to 5 MW of photovoltaic power generation
- Up to 7 MW of distributed generation, energy storage and heat recovery units

The electric power generation infrastructure will be located at the facility where electrical demand would optimize the use of these technologies. The sites under consideration for distributed generation will be evaluated for the use of the following technologies: electric vehicles, fuel cells, combined heat and power (CHP), photovoltaic and battery storage. To ensure the Distributed Generation System is operated efficiently, safely and reliably, the design will include extensive communication, control, and protection infrastructure with robust cybersecurity protocols.

The NJ TRANSITGRID Distributed Generation Project comprises preparation of design/engineering documentation supporting compliance with Federal Energy Regulatory Commission (FERC), North American Electric Reliability Corporation (NERC), and New Jersey Board of Public Utilities (NJBPU) requirements, including all application materials and required documentation.

A prior and related Request for Proposal (RFP No. 15-031) was advertised in June 2015 and included requirements for the design of the NJ TRANSITGRID Central Power Plant Project – a central gas-fired power plant and associated 230kv substation; a 138kV frequency converter and associated substation; the provision of electric power to, and reconstruction of, Amtrak’s Substation 41; associated power distribution systems along NJ TRANSIT right-of-way connecting to NJ TRANSIT’s Mason Substation located in Kearny and to several Hudson-Bergen Light Rail substations; natural gas transmission lines; and, connections to the PJM commercial electric power grid. Board authorization for consultant services for the NJ TRANSITGRID Central Power Plant Project was received in February 2016 (Item 1602-01).

Funding

On November 5, 2014, FTA announced its award of a total of \$1.27 billion to NJ TRANSIT in additional funding through a 13-state competition for five resilience projects, as follows:

| | |
|---|----------------------|
| NJ TRANSITGRID | \$ 409,764,814 |
| Delco Lead Train Safe Haven Storage and Inspection Facility | \$ 184,493,910 |
| Hoboken Long Slip Fill and Rail Enhancement | \$ 146,548,432 |
| Raritan River Drawbridge Replacement | \$ 446,312,465 |
| Train Controls Resilience | <u>\$ 88,903,190</u> |
| Total | \$1,276,022,811 |

These five projects require a local match, which NJ TRANSIT is funding through the Transportation Trust Fund. Additionally, the Federal Railroad Administration (FRA) is providing funding for NJ TRANSITGRID through Amtrak.

Procurement

Office of State Comptroller approval to advertise this contract was received on August 4, 2015, as required under Executive Order 125. The NJ TRANSIT Office of Business Development assigned a 19 percent Race Conscious Disadvantaged Business Enterprise (DBE) Goal. NJ TRANSIT is working in collaboration with the Federal Transit Administration (FTA) to complete an Environmental Impact Statement (EIS) pursuant to the National Environmental Policy Act (NEPA) for the project.

The Request for Proposals was advertised in *The Star Ledger* and *The Trenton Times* on August 14, 2015, and in the *Minority Commerce Weekly*. A Pre-Proposal Conference was held on Wednesday, September 2, 2015 at NJ TRANSIT Headquarters. Proposals were received on October 14, 2015 from five teams.

The Technical Proposals included the scope of work for two phases:

Phase I – Conceptual and Preliminary Design

Phase I includes preparation of a Design Criteria document and generation of Preliminary Engineering documents based upon the previously developed Concept Design; engineering support needed for the preparation of the Environmental Impact Statement; bid assistance support, including contract packaging and procurement support; and, identification of Project task risks and development of a mitigation program.

Phase II – Construction Services/Engineering Support

Phase II includes engineering support during project construction, including design change assessments, value engineering support, change order review support, and cost estimating support.

A Technical Evaluation Committee (TEC) comprised of staff from Capital Planning and Programs and Rail Operations determined that three teams were in the competitive range, as follows:

- **AECOM** with Intelligent Power and Energy Research Corporation; Parsons Brinckerhoff; Navigant Consulting Inc.; Climate Change Mitigation Technologies LLC; Greener by Design; The Chertoff Group; AG Consulting Engineering, P.C.; GTS Consultants; ILC Dover; JCMS, Inc.; Mecan Deve Engineers, DPC; PMA Consultants; Radin Consulting, Inc.; Robinson Aerial Surveys, Inc.
- **Burns Group** with Jacobs Engineering Group Inc; CRC Engineering, P.C.; MCFA; Malick & Scherer, P.C.; Matrix New World Engineering, Inc.
- **Power Engineers** with Gannett Fleming; AKRF; Naik Group; Envision Consultants, Ltd.; InGroup Inc.; Arch2, Inc.; Matrix New World Engineering Progress

Oral presentations were held on December 15 and 16, 2015. The TEC scored the consultant team led by AECOM as the highest technically qualified firm.

Schedule

Phase I – Preliminary Design and Engineering is scheduled to be completed 10 months after Notice to Proceed.

This item has been reviewed and recommended by the Board Capital Planning, Policy and Privatization Committee.

FISCAL IMPACT

Requested Authorization: This Authorization \$ 3,556,416 + 5% contingency
Total Authorization \$ 3,734,237

Past Authorizations: None for this contract

Expenditures to Date: \$ 1,853,645 (as of 2/29/16)

Total Project Cost: \$ 577,353,085

Projected Date of Completion: 10 months after Notice to Proceed (Phase I)

Capital Program Amount: \$ 577,353,085

Operating Budget Amount: None

PRINTS ID Number: NJT01041

Anticipated Source of Funds: Federal Transit Administration
Federal Railroad Administration
Transportation Trust Fund

DBE/SBE Goal: 19% DBE

NJ Build Amount: NA

Future Related Authorizations: Phase II – Engineering Assistance during
Construction (Distributed Generation)
Construction Management Services (Distributed
Generation)
Construction (Distributed Generation)
Phase II – Engineering Assistance during
Construction (Central Power Plant)
Construction Management Services (Central Power
Plant)
Construction (Central Power Plant)

Impact on Future Operating Budgets: None for this action

RESOLUTION

WHEREAS, Superstorm Sandy highlighted the need for infrastructure improvements to increase regional transit system resilience; and

WHEREAS, NJ TRANSIT partnered with the U.S. Department of Energy and other federal and state agencies to evaluate opportunities to develop an independent power generating system to permit operation of core train services in the event of power outages; and

WHEREAS, the resulting NJ TRANSITGRID Distributed Generation Project will construct distributed generation facilities and other infrastructure improvements to provide resilient power to support passenger service on critical rail lines and at selected rail stations and terminals, and bus maintenance facilities in the event of a major power disruption; and

WHEREAS, the Federal Transit Administration selected NJ TRANSITGRID through a competitive process to receive \$409,764,814 in Disaster Relief Appropriations Act of 2013 funding; and

WHEREAS, the design and construction of the NJ TRANSITGRID Distributed Generation Project requires engineering and design support as well as other technical services; and

WHEREAS, after the completion of a competitive procurement process, it was determined that AECOM is the most responsible and responsive proposer whose proposal, conforming to the RFP, is in the best interest of and provides the best value to NJ TRANSIT;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is hereby authorized to enter into NJ TRANSIT Contract No. 16-001 with AECOM of Piscataway, New Jersey, to provide Phase I – Conceptual and Preliminary Design consultant services for the NJ TRANSITGRID Distributed Generation Project at a cost not to exceed \$3,556,416, plus five percent for contingencies, subject to the availability of funds.

**ITEM 1605-25: ALP45DP (DUAL POWER) LOCOMOTIVE MANUFACTURER'S
REQUIRED MAINTENANCE CYCLE**

BENEFITS

NJ TRANSIT (NJT) operates a fleet of 35 ALP45DP (dual power) locomotives, built by Bombardier Transit Corporation and designed to operate using diesel power or electric power provided through the catenary system. Since their introduction in 2011, these locomotives have allowed NJ TRANSIT to extend one-seat, direct service to New York Penn Station on the Raritan Valley Line and North Jersey Coast Line south of Long Branch. The locomotives provide flexibility to operate trains between electrified and non-electrified territories, removing the need for passengers to change trains on these lines and taking advantage of cheaper electric catenary power when available. The ALP45DP locomotive can also maintain service by switching to diesel mode when there are interruptions in catenary power.

The ALP45DP locomotive engines required maintenance cycle is a state-of-good-repair program required by the equipment manufacturer maintenance guidelines to ensure the locomotive engines remain in satisfactory operating condition. This maintenance is also necessary to comply with the Environmental Protection Agency (EPA) Tier 3 emissions regulation, which necessitated engine designs that were more precise and efficient to further reduce targeted harmful emissions.

ACTION (Scorecard: Corporate Accountability)

Staff seeks authorization to enter into a sole source Contract No. 16-603 with Foley-Caterpillar, Inc. of Piscataway, New Jersey to provide materials and services for the manufacturer's required maintenance cycle on 70 Caterpillar engines (2 per locomotive) in an amount not to exceed \$8,305,758, plus five percent for contingencies, subject to the availability of funds.

PURPOSE

The ALP45DP dual mode locomotive is EPA Tier 3 emissions compliant. The diesel power on this locomotive is provided by two Caterpillar 3512C HD high-speed diesel engines which require periodic maintenance of varying types to be performed, as detailed in the manufacturer's maintenance manuals, to ensure they remain in satisfactory operating condition. This periodic maintenance is also required for the engines and the locomotive to maintain their Tier 3 compliance pursuant to 40 CFR 1033. The required maintenance cycle is a scheduled state-of-good-repair program based on operating hours and fuel consumption. The ALP45DP locomotive fleet is approaching the recommended interval limit for this maintenance cycle.

The proposed work program for the required maintenance cycle will consist of the removal and installation of overhauled heads, injectors, seals and related components. The work program also includes cleaning of the engine aftercooler and installation of a

shield kit for high-temperature exhaust components. The work will be performed by NJ TRANSIT's locomotive shop employees at the Meadows Maintenance Complex (MMC) in conjunction with two Caterpillar technicians.

Pursuant to N.J.A.C. 16:72-1.5, competitive procurement requirements may be waived in instances where only one source of supply is available. It has been determined that Foley-Caterpillar, Inc. of Piscataway, New Jersey is certified to be the sole/single source supplier for the purchase of materials and services in accordance with N.J.A.C. 16:72-1.5 and Executive Order No. 37.

BACKGROUND

History

The ALP45DP is an innovative locomotive borne out of the need to meet several critical requirements. NJ TRANSIT required a locomotive that could traverse all of its rail lines which included both electrified and non-electrified territories. The locomotive had to meet AMTRAK's clearance diagram to operate in the North River tunnels, which restricted its maximum height to 14'6" and had to be less than 288,000 lbs. in order to operate at speeds above 80 mph on the North East Corridor. The combination of NJT's requirements and operational constraints was the main driver for procuring a dual-mode locomotive that utilized both a diesel and an electric propulsion package.

The traditional medium-speed diesel engines (900/1050 rpm) used in NJT's F-40, GP40 and PL-42AC locomotives were deemed too heavy (65,000 lbs. engine & alternator) and too large for use in the ALP45DP locomotive. They also would not meet the Tier 3 EPA emission requirements that were going to go into effect in 2012. These older diesel engines are two-cycle engines and, therefore, are not currently capable of meeting the stringent Tier 3 regulations. Two Caterpillar 3512C HD high-speed diesel engines (1800 rpm) were selected to provide diesel power for the ALP45DP locomotive. These engines saved weight compared with traditional medium-speed engines, were smaller in size helping to meet the tight clearance diagrams, provided a better power to weight ratio, allowed for an even weight distribution, were compliant with upcoming EPA emission regulations, and allowed the locomotive to meet the specified performance requirements.

Project Justification

The 35 ALP45 DP locomotives were designed and built by Bombardier Transit Corporation and delivered to NJ TRANSIT between 2011 and 2013. The locomotives were required to comply with and be certified to the EPA Tier 3 emissions regulations that went into effect on January, 2012. The Code of Federal Regulations (40 CFR 92.1004) also requires owners of locomotives to ensure that all emission-related maintenance is performed as specified in the maintenance instructions provided by the certifying manufacturer or remanufacturer.

Per the manufacturer's maintenance manual, and to comply with the EPA and CFR regulations previously noted, required maintenance will be needed to be performed

over the next few years based on the actual operating load rate (determined by fuel usage and the number of hours the engine has been operated). This maintenance activity is standard for any locomotive built during the three-year period where new locomotives were required to meet the EPA Tier 3 emissions regulations. In January 2015, even more restrictive emission requirements went into effect under the EPA Tier 4 regulations, requiring additional maintenance tasks due to the need for exhaust gas aftertreatment technologies such as particulate filters and urea selective catalytic reduction (SCR) systems. These requirements of the Tier 4 regulations would not only add weight to the units, but would also require additional infrastructure costs to add retention tanks for the after treatment required.

One benefit the ALP45DP has over standard diesels is the intervals between maintenance cycles can be extended due to the engines not being operated when the locomotive is running in electric mode. Since the interval between maintenance cycles is determined by the hours the engines are operated and the fuel burned, shutting the engines down and utilizing overhead catenary power, when possible, provides a cleaner, quieter, and cheaper operation while optimizing the maintenance costs and maintenance cycle intervals.

This item has been reviewed and recommended by the Board Capital Planning, Policy and Privatization Committee.

FISCAL IMPACTS

Requested Authorization: \$ 8,305,758 + 5% contingency

Past Authorizations: None

Expenditures to Date: None

Total Project Cost: \$ 9,463,161

Projected Date of Completion: January 2019

Capital Program Amount: \$ 9,463,161

Operating Budget Amount: None

Anticipated Source of Funds: TTF

PRINTS ID Number: NJT00901

DBE/SBE Goal: 0%

***NJ Build* Amount:** None

Related/Future Authorizations: Authorization for future manufacturer required maintenance cycles of varying types approximately every 5-7 years.

Impacts on Subsequent Operating Budgets: None

RESOLUTION

WHEREAS, NJ TRANSIT operates a fleet of 35 ALP45 DP dual power locomotives, built by Bombardier Transit Corporation and designed to operate using diesel power or electric power provided through the catenary system; and

WHEREAS, the ALP45DP locomotive is an Environmental Protection Agency (EPA) Tier 3 emissions compliant locomotive; and

WHEREAS, the ALP45DP locomotive engines manufacturer's required maintenance cycle is a state-of-good-repair program required by the manufacturer's maintenance manual to ensure the engines remain in satisfactory operating condition; and

WHEREAS, the manufacturer's maintenance cycle will be required to be performed over the next few years to comply with EPA and CFR regulations; and

WHEREAS, the proposed work program for the manufacturer's required maintenance cycle will be performed by NJ TRANSIT's locomotive shop employees at the Meadows Maintenance Complex (MMC) under the guidance of two Caterpillar technicians; and

WHEREAS, pursuant to N.J.A.C. 16:72-1.5, competitive procurement requirements may be waived in instances where only one source of supply is available; and

WHEREAS, it has been determined that Foley-Caterpillar, Inc. of Piscataway, New Jersey is certified to be the sole/single source supplier for the purchase of materials and services in accordance with N.J.A.C. 16:72-1.5 and Executive Order No. 37;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to enter into a sole source Contract No. 16-603 with Foley-Caterpillar, Inc. of Piscataway, New Jersey to provide materials and services for the manufacturer's required maintenance cycle on 70 Caterpillar engines (2 per locomotive) in an amount not to exceed \$8,305,758, plus five percent for contingencies, subject to the availability of funds.

**ITEM 1605-26: RUTHERFORD STATION PLAZA IMPROVEMENTS
CONSTRUCTION CONTRACT AWARD**

BENEFITS

The Project includes the re-grading and the redesign of the Rutherford Station Plaza to comply with the Americans with Disabilities Act (ADA). ADA compliance will be addressed with new steps and a ramp installed at the rear door to access the Station building. Tactile edge replacement and concrete repairs are required at the expansion joints and miscellaneous locations on the existing platform to provide flush conditions.

Improved lighting on the Plaza will increase safety and security at the location. The Project also includes Site Work for future Variable Message Sign Installations.

When completed, the Rutherford Station Plaza ADA compliance deficiencies will be corrected and safety and security will be improved for all users.

ACTION (Safety and Security, Corporate Accountability, Customer Experience)

Staff seeks authorization to enter into NJ TRANSIT Contract No. 16-004X with Sparwick Contracting, Inc., of Lafayette, New Jersey, to provide construction services for the NJ TRANSIT Rutherford Station Plaza Improvements Project at a cost not to exceed \$997,668, plus five percent for contingencies, subject to the availability of funds.

PURPOSE

Authorization of the construction contract will allow for the construction to correct ADA compliance deficiencies in the plaza at NJ TRANSIT's Rutherford Station in Rutherford, New Jersey as follows:

- a. Re-grade and re-design of the Rutherford Station Plaza area to correct accessibility deficiencies and improve lighting.
- b. Complete demolition and removal of the existing plaza concrete.
- c. New steps and ADA compliant ramp to be installed at rear door to access the Station building.
- d. Two new lighting poles and luminaires to be installed at the rear door of the Station building.
- e. Existing Plaza lighting to receive new lenses and bulbs.
- f. Tactile edge replacement and concrete repairs are required at the expansion joints and miscellaneous locations on existing Platform to provide flush conditions for ADA compliance.
- g. Inclusion of Site Work for future variable message sign installations.
- h. Project Phasing will require the temporary relocation of TVM's.
- i. Removal of selected landscaping.

BACKGROUND

This project will advance Rutherford Station's ADA compliance and complete the foundation work to address accessibility deficiencies and safety for NJ TRANSIT customers.

Procurement

The NJ TRANSIT Office of Business Development assigned a zero percent Small Business Enterprise (SBE) goal for this project. The Invitation for Bid (IFB) was advertised on BID EXPRESS, NJ TRANSIT's electronic bid system on December 19, 2015. A Pre-Bid Conference was held on December 22, 2015 at NJ TRANSIT's Rutherford Station. Bids were received electronically and opened on March 1, 2015 at NJ TRANSIT's Headquarters in Newark.

IFB 15-054X RESULTS

| COMPANY | TOTAL BID PRICE |
|---|------------------------|
| Sparwick Contracting Lafayette, New Jersey | \$ 997,668.00 |
| DMR Construction Services, Inc. Waldwick, New Jersey | \$1,071,717.70 |
| RML Construction, Inc. Carlstadt, New Jersey | \$1,072,547.70 |
| Anselmi & Decicco, Inc. Hackensack, New Jersey | \$1,111,111.00 |
| HBC Co., Inc. Lodi, New Jersey | \$1,137,737.70 |
| Railroad Construction Paterson, New Jersey | \$1,391,000.00 |
| Tec-Con Contractors, Inc. East Orange, New Jersey | \$2,031,725.70 |

This item has been reviewed and recommended by the Board Capital Planning, Policy and Privatization Committee.

FISCAL IMPACTS

| | |
|----------------------------------|---|
| Requested Authorizations: | This Authorization \$997,668 + 5% contingency |
| Past Authorizations: | None |
| Expenditures to Date: | \$327,000 (as of 03/01/2016 for design work) |

| | |
|---|---------------------------|
| Total Project Cost: | \$1,742,000 |
| Projected Date of Completion: | January 2017 |
| Capital Program Amount: | \$1,742,000 |
| Operating Budget Amount: | None |
| Anticipated Source of Funds: | Transportation Trust Fund |
| PRINTS ID Number: | NJT00399 |
| DBE/SBE Goal: | 0% SBE |
| <i>NJ Build</i> Amount: | N/A |
| Related/Future Authorizations: | None |
| Impacts on Subsequent Operating Budgets: | None |

RESOLUTION

WHEREAS, improvements to the existing plaza will correct deficiencies with the Americans with Disabilities Act (ADA); and

WHEREAS, improvements to the existing plaza lighting will increase safety & security in the plaza; and

WHEREAS, upon the completion of a competitive procurement process, it was determined that Sparwick Contracting, Inc. was the lowest responsive and responsible bidder for the Rutherford Station Plaza Improvements Project;

NOW, THEREFORE, BE IT RESOLVED, the Chairman or Executive Director is authorized to enter into NJ TRANSIT Contract No. 16-004X with Sparwick Contracting, Inc. of Lafayette, New Jersey, for the Rutherford Station Plaza Improvements Project at a cost not to exceed \$997,668, plus five percent for contingencies, subject to the availability of funds.

**ITEM 1605-27: BOROUGH OF HILLSDALE RAILROAD LEASE AGREEMENT
EXTENSION**

BENEFITS

The NJ TRANSIT Rail Station Leasing Program, adopted in January 1980, allows municipalities the opportunity to gain operation and control of station facilities with the goals of encouraging local involvement and improving the standards of maintenance and security in and around the station facilities. At the same time, the leases entered into pursuant to this Program guarantee no loss of access to the NJ TRANSIT rail commuters. A lease arrangement rather than a sale allows the flexibility for NJ TRANSIT and municipalities to re-examine their respective roles in improvement, operation and maintenance of the station after an appropriate period of time. In March 1982, the NJ TRANSIT Board of Directors authorized the lease of the Hillsdale Railroad Station on the Pascack Valley Line by the Borough for a period of 10 years with an option for an additional 10 years. Subsequently, NJ TRANSIT and the Borough entered into a Lease and Operating Agreement in December 1995 with a 10-year term.



The Borough of Hillsdale is currently responsible for operating and maintaining the Hillsdale Railroad Station and has been a month-to-month tenant since 2005. NJ TRANSIT is prepared to extend the lease agreement with the Borough for a 20-year additional term in order to ensure that NJ TRANSIT passengers can continue to use the station that is operated, maintained and improved by the Borough. The roof at the

Hillsdale Railroad Station needs to be repaired and the Borough has been awarded a historic preservation grant from the County of Bergen Historic Preservation Trust Fund Grant Program with matching funds from the Borough for the needed roof repair work by the Borough without cost to NJ TRANSIT.

ACTION (Scorecard: Corporate Accountability, Customer Experience, Safety & Security, Financial Performance)

Staff seeks authorization to take any and all actions necessary to negotiate and execute an extension of the Railroad Station Lease and Operating Agreement with the Borough of Hillsdale for an additional 20-year period to allow the Borough to continue to use, operate, maintain, repair, and improve the Hillsdale Railroad Station.

PURPOSE

Authorization will allow NJ TRANSIT staff to negotiate and execute a 20-year extension of the current Railroad Station Lease and Operating Agreement with the Borough of

Hillsdale, allowing the Borough to continue to use, operate, maintain, repair and improve the Hillsdale Railroad Station. The Borough will be able to meet the 20-year lease condition requirement of the Bergen County Historic Preservation Grant, giving the Borough the means to make the necessary station improvements.

BACKGROUND

The Hillsdale Railroad Station was built in 1849 as the terminus and headquarters of the New Jersey and New York Railroad. The building has two floors: the first floor contains a waiting room, ticket office and baggage room while the second floor housed a railroad office until it was closed prior to NJ TRANSIT's ownership. The station building currently provides a heated waiting room for NJ TRANSIT's rail passengers.

At the March 1982 meeting, the NJ TRANSIT Board of Directors authorized NJ TRANSIT staff to negotiate and enter into a Rail Station Lease Agreement with the Borough of Hillsdale based upon the Rail Station Leasing Program adopted in January

1980. The initial term of the lease with the Borough was ten years with an option to renew for additional ten years. The program provided guidelines for the local operation and management of railroad station facilities. A Lease Agreement between NJ TRANSIT and the Borough of Hillsdale was executed in May 1982. In 1995, the Borough of Hillsdale and NJ TRANSIT entered into an Agreement for the Design and Construction of Parking Improvements in the Vicinity of Hillsdale Train Station and an accompanying Rail Station Lease and Operating Agreement which superseded the original 1982 Lease. Upon expiration of the original Term of the 1995 Lease and Operating Agreement on December 31, 2005, the Borough became a month-to-month tenant.

NJ TRANSIT, the County of Bergen, and the Borough of Hillsdale have drafted a Grant Agreement under the County of Bergen 2014 Historic Preservation Trust Fund Grant Program whereby the County awarded a \$100,000 grant, to be matched 100 percent by the Borough, for the Roof Repair of the Hillsdale Railroad Station project. As a condition of that Grant Agreement, NJ TRANSIT has agreed to formally extend the current Lease and Operating Agreement with the Borough for an additional 20-year term.

This item has been reviewed and recommended by the Board Capital Planning, Policy and Privatization Committee.

FISCAL IMPACTS

Requested Authorization: Authorization to negotiate and execute an extension of the Rail Station Lease and Operating Agreement with the Borough of Hillsdale for an additional 20-year term

Past Authorizations: March 1982 (Item C2)
Rail Station Leases with the Boroughs of Bound
Brook and Hillsdale

Expenditures to Date: N/A

Total Project Cost: N/A

Projected Date of Completion: N/A

Capital Program Amount: N/A

Operating Budget Amount: N/A

Anticipated Source of Funds: N/A

PRINTS ID Number: N/A

DBE/SBE Goal: N/A

***NJ Build* Amount:** N/A

Related/Future Authorizations: N/A

**Impacts on Subsequent
Operating Budgets:** N/A

RESOLUTION

WHEREAS, the Rail Station Leasing Program adopted by the NJ TRANSIT Board of Directors in 1980 gives municipalities the opportunity to operate and maintain railroad station facilities; and

WHEREAS, the Borough of Hillsdale participated in the Rail Station Leasing Program by entering into a Station Lease Agreement in 1982; and

WHEREAS, the Borough of Hillsdale and NJ TRANSIT subsequently entered into an Agreement for the Design and Construction of Parking Improvements in the Vicinity of Hillsdale Train Station and an accompanying Rail Station Lease and Operating Agreement whose original term expired in 2005 and has continued in effect on a month-to-month basis; and

WHEREAS, the Borough of Hillsdale is currently a month-to-month tenant and is requesting an extension of the current Rail Station Lease and Operating Agreement for an additional 20-year term to operate, maintain, repair and improve the Hillsdale Railroad Station; and

WHEREAS, the extension of the Rail Station and Operating Lease Agreement will enable the Borough of Hillsdale to receive a \$100,000 grant from the County of Bergen Historic Preservation Trust Fund Grant Program for the Hillsdale Railroad Station Roof Repair Project; and

WHEREAS, the Borough of Hillsdale is providing matching funds of \$100,000 for the Hillsdale Railroad Station Roof Repair Project;

NOW, THEREFORE, BE IT RESOLVED, that the Chairman or Executive Director is hereby authorized to take any and all actions necessary to negotiate and execute an extension of the Railroad Station Lease and Operating Agreement with the Borough of Hillsdale for an additional 20-year period to allow the Borough to continue to use, operate, maintain, repair, and improve the Hillsdale Railroad Station.

EXECUTIVE SESSION AUTHORIZATION

BE IT HEREBY RESOLVED pursuant to N.J.S.A. 10:4-12 and N.J.S.A. 10:4-13 that the Board of Directors of the New Jersey Transit Corporation hold an executive session to discuss the employment or appointment of specific prospective and current public officer(s) or employee(s) and other personnel matters, contract and collective bargaining negotiations, the status of pending and anticipated litigation and matters falling within the attorney-client privilege, including, but not limited to, the Personal Injury Claim of David Lombardi; and

BE IT FURTHER RESOLVED that it is expected that discussions undertaken at this executive session could be made public at the conclusion of these matters as appropriate.

ITEM 1605-28: ADVANCED SPEED ENFORCEMENT SYSTEM II – POSITIVE TRAIN CONTROL: CONTRACT AMENDMENT FOR ENGINEERING SUPPORT SERVICES AND CONTRACT AMENDMENT FOR IMPLEMENTATION

BENEFITS

The Rail Safety Improvement Act of 2008 (RSIA 2008), Positive Train Control Enforcement and Implementation Act of 2015 (PTCEI 2015), and subsequent Federal Railroad Administration (FRA) regulations require commuter rail systems to implement Positive Train Control (PTC) by the end of 2018. NJ TRANSIT is required to implement PTC along all its commuter rail line right-of-way and on all its rail rolling stock. This PTC system, known as the Advanced Speed Enforcement System II (ASES II), is also required to provide interoperability with Amtrak's Northeast Corridor (NEC) Advanced Civil Speed Enforcement System II (ACSES II) technology and the freight-based Interoperable Electronic Train Management System (I-ETMS).

Implementation of PTC will enhance the safety of customers and employees on NJ TRANSIT rail services and permit compliance with Federal law.

ACTION (Scorecard: Safety and Security)

Staff requests authorization to amend NJ TRANSIT Contract No. 10-010 with HNTB of New York, New York, for expanded technical support services for Phases II and III – PTC Prototype and Demonstration and to expand support for Phases IV and V – PTC Implementation and Closeout, at a cost not to exceed \$19,000,000 plus five percent for contingencies, for a total not to exceed authorization of \$27,982,500, subject to the availability of funds.

Staff also requests authorization to amend NJ TRANSIT Contract No. 10-099X with Parsons Transportation Group of New York, New York, for Phases I, II and III of the ASES II PTC Program at a cost not to exceed the amount discussed in Executive Session, subject to the availability of funds.

PURPOSE

Expanded consultant support will provide required resources and expertise for PTC system engineering, risk analysis, signals engineering, preparation of freight PTC interoperability agreements, oversight of prototype development and vehicle installation, training, configuration management, quality assurance, system demonstration and acceptance testing throughout the extended duration of the PTC project. These elements are essential to the program and to the preparation of the PTC Safety Plan which is needed for FRA certification of the system. Additionally, consultant support will also be provided for document management, project administration and project integration, as well as for acquisition and management of 218/220 MHz radio spectrum

and design of NJ TRANSIT's ground-based communications networks essential for PTC communications.

The HNTB consultant team has supported NJ TRANSIT's PTC program since its inception. The team has assisted NJ TRANSIT in regulatory compliance review, technical review, prototype development activity, and laboratory tests with the PTC Contractor. HNTB support has also been necessary for integration of PTC with NJ TRANSIT's existing rail operations. Authorization of this contract amendment will provide continuous and integrated technical support consulting services for PTC Phase II (Prototype) and Phase III (Demonstration), as well as required technical support consulting services for Phase IV (System-wide Installation) and Phase V (Project Completion and Close-out).

This request for authorization extends support for PTC Implementation and Closeout Phases IV and V through the end of 2018. This authorization also extends support for PTC Prototype and Demonstration Phases II and III through 2016, and expands support for PTC Implementation Phase IV to address support needs in the areas of PTC Asset Management, PTC Configuration Management, PTC Procurement support, Ground-Based Network (GBN) Communications Design and Construction support, GBN infrastructure engineering, environmental and construction phase services, and GBN construction project management.

BACKGROUND

History

PTC will provide NJ TRANSIT with additional safety capabilities such as prevention of certain types of rail collision events, more protection for roadway workers, a Crash-Hardened Event Recorder, and interoperability with Amtrak and other freight and passenger railroads. Implementation of PTC requires significant project staffing for technical support, oversight of vehicle and wayside equipment design and installation, preparation of FRA-required documentation, project integration, stakeholder liaison, configuration management, project administration, project risk management, safety engineering, quality assurance, and ground-based network design and installation.

The NJ TRANSIT Board of Directors authorized HNTB to provide technical support consulting services for PTC Phase I (Development Phase), Phase II (PTC Prototype Program) and Phase III (PTC Demonstration Program) in December 2009 (Item 0912-90). An amendment to the contract for Phase IV (System-wide Installation) and Phase V (Project Completion and Close-out) was approved by the NJ TRANSIT Board of Directors in March 2014 (Item 1403-10).

The PTC implementation project, NJ TRANSIT Contract No. 10-099X, is now expected to be complete at the end of 2018.

The continuity of the HNTB staff builds on their existing understanding of PTC technology requirements and functionality acquired to date. Program progress and

coordination of on-going development with Parsons Transportation Group, the Design/Build contractor, and NJ TRANSIT Rail Operations staff will be facilitated by maintaining the stability of the consultant team.

Scope of Work

HNTB's engineering support services contract for this project includes the following:

- Phase I – PTC Development Phase
Covered all efforts necessary for initial planning for the PTC Project prior to a contractor bid award. This phase provided for development of all necessary documentation, including schedule, management plan, PTC Implementation Plan, Lines Risk Assessment, and other supporting documentation. This phase is complete.
- Phase II – PTC Prototype Phase
Began at Notice to Proceed to the PTC Contractor. This phase includes all meetings, reviews, testing and documentation necessary for the PTC contractor to satisfy NJ TRANSIT and the Federal Railroad Administration (FRA) that a prototype system (of both on-board and wayside components) can fulfill the expectations of the PTC requirements, and will include participation in factory acceptance testing. This phase of consultant support is essentially complete. The phase will be fully complete by the end of 2016 when critical elements of the PTC Speed Enforcement System are suitable for factory acceptance.
- Phase III – PTC Demonstration Program
Is currently underway, in anticipation of completion of the prototype phase. This phase includes participation in design reviews, workshops, site acceptance testing, and system demonstration.
- Phase IV – Systemwide Installation
Begins after NJ TRANSIT and the FRA are satisfied with the initial wayside installation, testing, and demonstration at a level that has indicated all system requirements have been reliably achieved. This phase builds on and extends technical support provided during Phase III, and includes ROC office systems development, staging, interoperability, training, Asset Management, PTC Configuration Management, PTC Procurement support, Ground-Based Network (GBN) Communications Design and Construction support, GBN infrastructure engineering, environmental and construction phase services, and integration activities.
- Phase V – Completion and Close-out Phase
This phase includes completion of PTC project documentation, claims analysis, and resolution of punch list items.

Parsons Transportation Group's implementation contract includes the following:

- Phase I – PTC Development and Prototype Program
Began at Notice to Proceed. This phase included all technical development meetings, technical reviews, bench-testing and documentation necessary for

Parsons Transportation Group to satisfy NJ TRANSIT and the FRA that a prototype system (of both on-board and wayside components) can fulfill the expectations of the PTC requirements, and included participation in factory acceptance testing. Phase I included preparation and submission of the content to support NJ TRANSIT's PTC Development Plan and PTC Safety Plan as well as any modifications to NJ TRANSIT's existing PTC Implementation Plan.

- Phase II – PTC Pilot Demonstration Program
Began Fall 2015. This phase included participation in design reviews, workshops, on-board and wayside equipment testing, site acceptance testing, and system demonstration. Phase II included modifications and revisions to the content to amend NJ TRANSIT's PTC Development Plan and PTC Safety Plan as well as any modifications to NJ TRANSIT's PTC Implementation Plan that were previously submitted.
- Phase III – Systemwide Installation, Completion and Close-out
Begins after NJ TRANSIT and the FRA are satisfied with the initial wayside installation, testing, and demonstration at a level that has indicated all system requirements have been reliably achieved. This phase builds on and extends technical support provided during Phase II, and includes ROC office systems development, staging, interoperability, training, and integration activities. Phase III also includes modifications or revisions to the content to alter or amend NJ TRANSIT's PTC Development Plan and PTC Safety Plan as well as any modifications to NJ TRANSIT's PTC Implementation Plan that were previously submitted. This phase includes completion of PTC project documentation and punch-list items.

The following additional tasks will be added to the HNTB contract, which will also be extended by three years:

- Engineering, Design and Construction Phase services for the Ground-Based Network
- Master Schedule development and maintenance
- Asset and Configuration Management
- Development of Notice of Proposed Change (NPC) scope and cost estimates
- Proposal and entitlement analysis for Contractor-initiated changes
- Radio Frequency Spectrum Engineering for freight PTC interference
- Permitting (FCC, historic, environmental, and tribal)
- Vehicle movement and test coordination
- Construction Management for vehicle installation
- Delay claims analysis
- Requirements traceability and quality assurance
- Procurement support
- Project Management support

The Parsons Transportation Group contract will also be extended by three years and additional funding is required for approximately 120 separate change orders submitted

due to out-of-scope work associated with the wayside equipment, vehicle/mechanical equipment and support.

This item has been reviewed and recommended by the Board Capital Planning, Policy and Privatization Committee.

FISCAL IMPACTS

Requested Authorization:

| | | |
|-----------------------|---------------------|--------------------------------|
| HNTB | This Authorization | \$ 19,000,000 + 5% contingency |
| (Contract No. 10-010) | Total Authorization | \$ 27,982,500 |

| | |
|------------------------------|---------------------------------------|
| Parsons Transportation Group | Amount discussed in Executive Session |
| (Contract No. 10-099X) | |

Previous Authorizations:

| | | |
|------------------------------|--------------|------------------|
| HNTB | | |
| December 2009 (Item 0912-90) | \$ 3,400,000 | + 5% contingency |
| March 2014 (Item 1403-10) | \$ 4,250,000 | + 5% contingency |
| Total Previous | \$ 8,032,500 | |

| | | |
|------------------------------|----------------|------------------|
| Parsons Transportation Group | | |
| March 2011 (Item 1103-12) | \$ 155,622,970 | + 5% contingency |
| Total Previous | \$ 163,404,120 | |

Expenditures to Date: \$ 74,349,000 (as of 02/29/16)

Total Project Cost: \$250,000,000 to \$275,000,000

Projected Date of Completion: December 2019 (including Project Close-out)

Capital Program Amount: \$250,000,000 to \$275,000,000

Operating Budget Amount: \$0

Anticipated Source of Funds: Transportation Trust Fund
Metro-North Railroad

PRINTS ID Number: NJT00075
NJT00109
NJT00110
NJT00111
RNF00266

DBE/SBE Goal:
HNTB 19% SBE

Parsons Transportation Group 10% DBE

***NJ Build* Amount:** NA

Future/Related Authorizations: TBD

**Impact on Subsequent
Operating Budgets:** \$ 4,500,000 annually

RESOLUTION

WHEREAS, the Rail Safety Improvement Act of 2008 mandated the implementation of a Positive Train Control (PTC) system on all NJ TRANSIT rail lines by the end of December 2015; and

WHEREAS, the Positive Train Control Enforcement and Implementation Act of 2015 extended the target date for PTC implementation to December 2018; and

WHEREAS, NJ TRANSIT previously contracted with HNTB to provide technical support consulting services for the PTC system throughout the duration of NJ TRANSIT's PTC program; and

WHEREAS, NJ TRANSIT previously contracted with Parsons Transportation Group to implement the Advanced Speed Enforcement System II – Positive Train Control (ASES II PTC) system;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to amend NJ TRANSIT Contract No. 10-010 with HNTB of New York, New York, for expanded technical support services for Phases II and III – PTC Prototype and Demonstration and to expand support for Phases IV and V – PTC Implementation and Closeout, at a cost not to exceed \$19,000,000 plus five percent for contingencies, for a total not to exceed authorization of \$27,982,500, subject to the availability of funds; and

BE IT FURTHER RESOLVED that the Chairman or Executive Director is authorized to amend NJ TRANSIT Contract 10-099X with Parsons Transportation Group of New York, New York, for Phases I, II and III of the ASES II PTC Program at a cost not to exceed the amount discussed in Executive Session, subject to the availability of funds.

ITEM 1605-29: PERSONAL INJURY CLAIM OF DAVID LOMBARDI

BENEFITS

It is the opinion of NJ TRANSIT and defense counsel, in recognition of the serious injuries that resulted, staff recommends a settlement in the claim of David Lombardi.

ACTION

Staff seeks authorization to settle the claim of David Lombardi through his attorney, at an amount discussed in executive session. The Attorney General has approved the proposed settlement, subject to the availability of funds.

PURPOSE

NJ TRANSIT By-Laws require Board approval of the settlement of all claims and lawsuits involving personal injury, death or property damage in excess of \$500,000. This case, venued in the Philadelphia County Court of Common Pleas, Philadelphia, Pennsylvania initiated from a claim brought under the Federal Employers' Liability Act, 45 U.S. C. § 51 et seq.

FISCAL IMPACTS

| | |
|---------------------------------------|---|
| Requested Authorization: | Request authorization to settle the Personal Injury Claim of David Lombardi |
| Projected Date of Completion: | FY 2016 |
| Anticipated Source of Funds: | FY 2016 Operating Budget |
| Diversity Goals/Participation: | Not applicable. No goods or services to be procured. |

RESOLUTION

WHEREAS, Article VI, Section II of the By-Laws requires Board Authorization for settlement of claims in excess of \$500,000; and

WHEREAS, David Lombardi has presented a claim with a probable settlement cost greater than \$500,000; and

WHEREAS, staff has reviewed the claim and recommends settling this case out of court;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to settle the claim of David Lombardi through his attorney, at an amount discussed in executive session. The Attorney General has approved the proposed settlement, subject to the availability of funds.

ITEM 1605-30: APPOINTMENT OF DEPUTY EXECUTIVE DIRECTOR

BENEFITS

The By-Laws of the New Jersey Transit Corporation (NJ TRANSIT) authorize the appointment of a Deputy Executive Director.

ACTION

Authorization is requested to appoint Amy Herbold as Deputy Executive Director in accordance with the NJ TRANSIT By-Laws, Article IV, Section 8.

PURPOSE

This position requires an experienced, qualified professional with the knowledge and expertise necessary to perform duties as assigned by the Executive Director. Prior to joining NJ TRANSIT, Ms. Herbold was senior counsel in the Governor's Authorities Unit, where she oversaw governance, budgets, labor negotiations, and significant management and operational decisions in a portfolio of more than 20 state and bi-state agencies, including NJ TRANSIT. Ms. Herbold is a familiar face at NJ TRANSIT, where she has worked closely with senior managers and the Executive Director on governance and assisted in coordinating major state and bi-state projects, including but not limited to the Gateway Project, NJ TRANSIT's strike contingency plan and the Papal visit. Prior to joining state government, Ms. Herbold was an attorney in private practice. She received her law degree from Seton Hall and Bachelor's degree in political science from Trinity University.

RESOLUTION

WHEREAS, the By-Laws of NJ TRANSIT authorize the appointment of a Deputy Executive Director; and

WHEREAS, this position requires an experienced, qualified professional with the knowledge and expertise necessary to perform duties as assigned by the Executive Director; and

WHEREAS, prior to joining NJ TRANSIT, Ms. Herbold was senior counsel in the Governor's Authorities Unit, where she oversaw governance, budgets, labor negotiations, and significant management and operational decisions in a portfolio of more than 20 state and bi-state agencies, including NJ TRANSIT;

NOW, THEREFORE, BE IT RESOLVED that Amy Herbold is hereby appointed Deputy Executive Director in accordance with the NJ TRANSIT By-Laws, Article IV, Section 8.

ITEM 1605-31: APPOINTMENT OF CHIEF FINANCIAL OFFICER AND TREASURER

BENEFITS

Appoint a Chief Financial Officer and Treasurer of NJ TRANSIT and its subsidiaries in order to ensure adequate administrative ability for NJ TRANSIT to manage its finances.

The selection of a Chief Financial Officer and Treasurer of NJ TRANSIT will ensure the financial obligations of the corporation are met by reducing costs, maximizing revenues, and lessening dependence on taxpayer subsidy.

ACTION

Authorization is requested to appoint Michael J. Lihvarcik as Chief Financial Officer and Treasurer of NJ TRANSIT and its subsidiaries to perform the functions of the Office of the Treasurer in accordance with the NJ TRANSIT By-Laws, Article IV, Section 5.

PURPOSE

This position requires an experienced, qualified professional with the knowledge and expertise necessary to perform duties as assigned by the Executive Director. Mr. Lihvarcik has had a long career in public finance and budgeting, including in senior positions at NJ TRANSIT. Most recently, Mr. Lihvarcik was a Special Assistant to the New Jersey State Treasurer, where he worked on identifying savings, efficiencies and spending controls for statewide transportation programs, including the Transportation Trust Fund. He returns to NJ TRANSIT as Chief Financial Officer and Treasurer, having previously held the positions of Deputy Chief Financial Officer; Acting Chief Financial Officer and Treasurer; Senior Director, Budget and Financial Operations Compliance; and Director of Budget Development, Financial Planning and Government Reporting. Prior to his career at NJ TRANSIT, Mr. Lihvarcik provided leadership and supervision in the Office of Management and Budget over the course of 20 years. Mr. Lihvarcik received his undergraduate degree from The College of New Jersey and a Masters of Public Administration from Rider University.

RESOLUTION

WHEREAS, the By-Laws provides that there shall be a Treasurer who shall serve as an officer of NJ TRANSIT and its subsidiaries; and

WHEREAS, this position requires an experienced, qualified professional with the knowledge and expertise necessary to perform duties as assigned by the Executive Director. Mr. Lihvarcik has had a long career in public finance and budgeting, including in senior positions at NJ TRANSIT; and

WHEREAS, most recently, Mr. Lihvarcik was a special assistant to the New Jersey State Treasurer, where he worked on identifying savings, efficiencies and spending controls for statewide transportation programs, including the Transportation Trust Fund;

NOW, THEREFORE, BE IT RESOLVED that Michael J. Lihvarcik is hereby appointed Chief Financial Officer and Treasurer of NJ TRANSIT and its subsidiaries and to perform the functions of the Office of the Treasurer in accordance with the NJ TRANSIT By-Laws, Article IV, Section 5.

ITEM 1605-32:

APPOINTMENT OF BOARD SECRETARY

BENEFITS

Appoint a Board Secretary of NJ TRANSIT and its subsidiaries in order to ensure adequate administration to direct the activities of the Board of Directors' Office.

ACTION

Authorization is requested to appoint Joyce J. Zuczek as Board Secretary of NJ TRANSIT and its subsidiaries in accordance with the NJ TRANSIT By-Laws, Article III, Section 2.

PURPOSE

The NJ TRANSIT By-Laws provides for the appointment of a Board Secretary. Ms. Zuczek began her long storied transit career at the New Jersey Department of Transportation in 1976 and continued at NJ TRANSIT when it was created in 1979. She has held top administrative and management positions throughout NJ TRANSIT, including Corporate Affairs, with responsibility for high-level organizational duties and supervision, including Acting Board Secretary for the last five years. Ms. Zuczek also serves as NJ TRANSIT's Open Public Records Act Officer and Administrative Practice Officer. Ms. Zuczek received her Certification as a Paralegal Professional from the American Institute of Paralegal Studies, Inc. at Rider University.

RESOLUTION

WHEREAS, the NJ TRANSIT By-Laws provides for the appointment of a Board Secretary; and

WHEREAS, Ms. Zuczek began her long storied transit career at the New Jersey Department of Transportation in 1976 and continued at NJ TRANSIT when it was created in 1979; and

WHEREAS, she has held top administrative and management positions throughout NJ TRANSIT with responsibility for high-level organizational duties and supervision, including Acting Board Secretary for the last five years;

NOW, THEREFORE, BE IT RESOLVED that Joyce J. Zuczek is hereby appointed as Board Secretary of NJ TRANSIT and its subsidiaries in accordance with the NJ TRANSIT By-Laws, Article III, Section 2.